

January 23/24 2020

LIMRA Research

Key Public Messages and Communication Narrative

Background

Note that this is the latest in a regular series of in-depth CAFII-commissioned research studies by independent, third-party firms to understand the Canadian life insurance marketplace

Overview of methodology

This specific study by LIMRA is a study of homeowners in different income bands (low, middle, high) (Page 7)

Canadians are Traditionally Uninsured or Underinsured

80% of Canadian homeowners are traditionally uninsured or underinsured (Page 11)

This is higher in the low-income band, 87% of which are traditionally uninsured or underinsured (Page 12)

Could make a statement here from Chair, Vice-Chair at the shockingly high number and the risk that it creates for Canadian households

Low-Income Canadians would Benefit from CPI

There is no significant difference between homeowners in different income groups for the percentage with CPI (Page 14)

Because low-income Canadian homeowners have much lower levels of employer benefit life and term life insurance, this group would benefit from higher exposure to CPI (Page 13)

This is especially true because a much higher percentage of this group (38%) say they don't have and don't want a financial professional (Page 19)

At Risk Homeowners Rely on CPI or Could Use CPI

38% of all homeowners are "at risk" which is defined as homeowners with three conditions: have credit (mortgage or Home Equity Line of Credit); traditionally uninsured or traditionally underinsured; and have survivors (young or old dependents) (Page 38)

54% of this group are female and 89% are partnered (Page 39)

72% of this group nevertheless believe having life insurance is important or very important (Page 40)

55% of this group own at least one CPI product (Page 44)

For the other 45% who are not traditionally insured or are underinsured, CPI could reduce the gap in coverage they face (Page 44)

Additional breakdown if desired:

For 14% of this group who have no insurance at all, CPI could be the right the solution for them.

January 23/24 EOC

For 31% of this group who are traditionally underinsured, CPI could reduce the gap in coverage.

LIMRA's recommendations based on the study includes "Prioritize access to CPI for the 38% of homeowners "at risk" considering they have survivorship and are traditionally uninsured or traditionally underinsured."

Conclude with a quote from Executive Director on CAFII's commitment to research to better understand the consumers who purchase CPI and the overall Canadian life insurance marketplace

Key Deliverables and Options

- News release
- Webinar for regulators, record and post on website
- Video for website (maybe two?)