The Canadian Association of Financial Institutions in Insurance | L'association canadienne des institutions financières en assurance

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CAFII ALERTS WEEKLY DIGEST: May 26 – June 2, 2023

June 2, 2023

The CAFII Alerts Weekly Digest is intended to provide a curated compendium of news on insurance, regulatory, and industry/business/societal topics of relevance to CAFII Members – drawn from domestic and international industry trade press and mainstream media – to aid in Members' awareness of recently published media content in those areas.

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GOVERNMENT/LEGAL/REGULATORY DEVELOPMENTS

Why Clients Should Be Cautioned About Fintech Services, FCAC Warns

Without Open Banking, Canadians' Data Is At Greater Risk When They Use Unregulated Apps

By Greg Meckbach, Investment Executive, June 1, 2023

Why clients should be cautioned about fintech services | Investment Executive

In the absence of open banking, clients could be exposing themselves to privacy breaches by sharing their online banking details with technology providers that are not subject to banking regulations, the Financial Consumer Agency of Canada warns.

Advisors should tell clients to be careful when using unregulated fintech applications, said Supriya Syal, deputy commissioner of research, policy and education with the FCAC. Examples of such apps include billing, budgeting, and payment providers and cryptocurrency services.

Greater volume of data-sharing transactions among a diverse set of product providers — both banks and non-banks — increases the risk of cybersecurity breaches, the FCAC warned in a new report.

Open banking, which is not available in Canada yet, allows a financial institution to share client account details (with consent) with a third party, without the client having to share their login details and password.

Currently, when consumers share banking information with unregulated fintechs, methods such as screen scraping are used to share their user names and passwords, Syal said, and that data is then stored.

As such, "Sharing this information may violate the consumer's electronic access agreements with banks and expose them to security, privacy, and liability risks," she said. "In open banking, consumer data is securely transferred between the bank and the third party."

An FCAC-commissioned survey released on Thursday, June 1 suggests that nearly one in three Canadians incorrectly assumes that the protections they have when using a fintech application (to track finances, manage money, or make payments, for example) are the same as the protections they have from a regulated entity such as a bank.

The 5,470 respondents were asked whether they agree with the (false) statement that consumers' legal protections are the same whether using a bank or fintech. Nearly a third (32%) agreed, another 32% didn't know and 19% neither agreed nor disagreed.

Only 18% of respondents correctly responded that the security and privacy protections from fintech applications are not the same as from regulated entities, Syal said.

"If you disabuse them of this notion — if you tell them that they are not protected — most Canadians would stop using fintech products and services," she said.

After hearing the definition of open banking, 15% of respondents said they would participate in an open banking system, 29% said "maybe" and 52% said they would not.

The survey results indicated that Canadians would want certain legal protections in an open banking system, Syal said, such as protection from losses, ability to revoke consent, a requirement for open banking providers to report data breaches, and an easy complaints process.

One in four respondents (26%) said they use fintech saving and investing accounts, including robo-advisors. Six per cent said they had previously used fintech saving and investing accounts, 38% said they might try them in the future, 20% said they wouldn't try them, and 9% didn't know.

Most respondents (three in four) hadn't heard of fintech, which the FCAC defined to respondents as a technology company that offers financial services online only, often through an app.

"Few Canadians have heard of open banking, and of the ones who heard, few actually understand it," Syal said.

The survey will help inform the approach to open banking in Canada, in particular financial consumer protection policies and consumer education, the FCAC said in a release. "Strong and consistent consumer protections and education will be essential to build trust, understanding, and interest in open banking among Canadians," it said.

The phone and web survey was conducted from May 16 to June 28, 2022, and the margin of error was 1.32 percentage points, 19 times out of 20.

Federally Regulated Institutions To Be Subject To New Cyber-Resilience Testing

By Kate McCaffery, The Insurance Portal, April 24, 2023

The Office of the Superintendent of Financial Institutions (OSFI) announced on April 21 that it has published a new implementation guide and framework for federally regulated financial institutions (FRFIs), including internationally active insurance groups, outlining a testing methodology which proactively identifies and addresses cyber resilience issues.

The *Intelligence-Led Cyber Resilience Testing* (I-CRT) framework, intended to enhance institutions' resilience against sophisticated attacks, was developed over 18 months, in consultation with the industry. The development included a pilot project conducted with institutions in both the banking and insurance sectors.

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"OSFI expects FRFIs to have measures in place that create resilience against cyber-attacks and disruptions," OSFI wrote in an announcement about the publication of the new framework. "The I-CRT framework is a supervisory tool."

The statement goes on to say that OSFI recommends that institutions conduct an I-CRT assessment at least once during each three-year supervisory cycle, beginning in 2023. The need for an assessment can also be event-driven.

"This framework is a how-to guide to follow when conducting OSFI's Intelligence-Led Cyber Resilience Testing (I-CRT) assessments. This document is not a policy instrument used to set regulatory expectations," the implementation guide states. "The purpose of this document is to outline the methodology and process to follow when conducting an I-CRT assessment."

OSFI adds that the framework allows for a controlled, bespoke, intelligence-led testing of an institution's underlying technology assets and services supporting critical business functions. The activity, while sponsored by a senior executive at the FRFI, is led by OSFI, an approach OSFI says allows for collaboration in proactively identifying realistic cyber threats. A control group appointed by the FRFI has overall responsibility for conducting the assessment.

Read Story (Subscription Required): *Federally regulated institutions to be subject to new cyber-resilience testing - Insurance Portal (insurance-portal.ca)*

Firms Struggle To Understand Conflicts: BCSC

Compliance Sweep Uncovers Issues With Identifying, Disclosing And Managing Conflicts Of Interest, Including Conflicted Compensation

By James Langton, Investment Executive, May 25, 2023

Firms struggle to understand conflicts: BCSC | Investment Executive

Regulatory efforts to raise conduct standards in the retail investment industry and curb conflicts of interest that can harm clients are challenged by industry firms that don't seem to understand what constitutes a conflict.

The British Columbia Securities Commission (BCSC) published a report detailing the results of its latest compliance reviews of firms that it directly regulates, including portfolio managers, investment fund managers, and exempt market dealers. The regulator found "recurring deficiencies" in how some of these firms deal with conflicts of interest.

As part of a national sweep, the regulator's compliance work in 2022 focused on the conflict of interest provisions of the recently adopted client-focused reforms.

Among other things, the regulator's review identified firms that failed to understand the sorts of activities that commonly pose material conflicts that recognized the existence of conflicts but didn't know they were material, and that failed to have policies in place to adequately deal with conflicts.

The BCSC said the top conflicts it found involved referral arrangements, compensation practices, and gifting practices.

It reported that approximately half of the deficiencies it found in adviser/fund manager firms involved a lack of policies and procedures for dealing with specific conflicts, such as gifting and referral arrangements.

Additionally, it found firms that failed to recognize that compensation models based on revenue or sales targets generally represent material conflicts; that paying different commission rates for certain products, or clients, creates a conflict; and that the risk of negative consequences for failing to meet targets sparks a conflict too.

"Compensation arrangements that are entirely or partially variable based on sales and revenue targets almost always create material [conflicts] between registered individuals and their clients," the report said.

Some firms provided disclosure about these conflicts, while others did not. And some of the firms that provided disclosure didn't provide enough detail to reveal the significance of the issue.

"While providing disclosure is necessary when a firm has material compensation conflicts, it may be insufficient to address these conflicts by disclosure only," the report noted.

"We expect registered firms to ensure they are living up to the requirements of Canadian securities regulators when it comes to managing and avoiding conflicts of interest," said Peter Brady, executive director of the BCSC, in a release. "We want to identify problems and make sure they get addressed before investors get hurt."

In addition to the conflict of interest failings, the reviews found various other deficiencies, including reps using misleading titles, firms not collecting adequate know-your-client information, and issues with firms' financial filings.

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Greatway Financial Announces Conclusion Of FSRA Compliance Order

Order Was Issued Due To Concerns Related To Agent Training

By Mika Pangilinan, Insurance Business Canada, May 29, 2023

[*Greatway Financial announces conclusion of FSRA compliance order | Insurance Business Canada (insurancebusinessmag.com)*]

The compliance ordered issued by the Financial Services Regulatory Authority of Ontario (FSRA) against Greatway Financial has concluded with no monetary penalties, according to the MGA.

A press release from Greatway called the development an achievement that reflects its "unwavering commitment to transparency, compliance, and the highest standards of ethical conduct for its clients."

The life insurance MGA went on to say that it collaborated closely with a FSRA-vetted consultant to enhance agent training and training materials.

"As a result, the Great Place to Work-Certified™ organization, has emerged even stronger and better equipped to serve its agents, clients, and improve even more lives," the release stated further.

The compliance order against Greatway was issued in late 2022 after FSRA raised concerns regarding the training provided to its contracted agents.

FSRA had alleged that Greatway was "committing acts that might reasonably be expected to result in an unfair and deceptive act or practice."

The regulator was particularly concerned over the potential for Greatway's agents to provide customers with inappropriate, inaccurate, or misleading information regarding the terms, benefits, or advantages of certain insurance policies, including universal life policies sold as part of retirement plan strategies.

Greatway went from 1,400 agents selling 13,000 policies in 2018 to 4,000 agents selling almost 28,000 policies in 2022, according to FSRA.

Greatway said it has already refined its supervision and monitoring processes for all agents.

The improvements made include increased monitoring and review of proposed solutions by agents to "ensure suitability of the recommended products tailored to the clients' needs," according to Greatway's press release.

"The conclusion of the FSRA order marks a new and exciting chapter for Greatway," the release stated.

"The company has leveraged this experience to enhance its already industry-leading agent support and training program to ensure clients receive the best possible financial solutions tailored to their needs and goals."

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European Securities, Banking, Pension, And Insurance Regulators Seek Solutions To Greenwashing

The Risk Of Misleading Disclosure Pervades Sustainable Product Lineups, ESMA Says

By James Langton, Investment Executive, June 1, 2023

[*ESMA seeks solutions to greenwashing | Investment Executive*]

Greenwashing has a variety of causes, and combatting it requires a commitment to improved disclosure, says the European Securities and Markets Authority (ESMA) in a new report.

Europe's securities, banking, pension and insurance regulators all issued progress reports on their work involving greenwashing — when firms provide investors with misleading disclosure about the green credentials of various kinds of financial products.

"The findings show that misleading claims may relate to all key aspects of the sustainability profile of a product or an entity — from governance aspects to sustainability strategy, targets, and metrics or claims about impact," the regulators said.

"Cherry-picking, omission, ambiguity, empty claims (including exaggeration) [and] misleading use of ESG terminology such as naming and irrelevance are seen as most widespread misleading qualities," ESMA said in its report.

The report concluded that greenwashing is generally the result of "multiple inter-related drivers," including industry firms struggling to implement the governance processes and tools required to produce high-quality sustainability disclosures; challenges in accessing and producing "relevant, high-quality sustainability data"; and the fast-changing regulatory framework that has created implementation challenges for both firms and regulators.

To mitigate greenwashing risks, the firms involved in producing and selling sustainable financial products must "live up to their responsibility to make substantiated claims and communicate on sustainability in a balanced manner," the report said.

"Comprehensibility of sustainability disclosures to retail investors needs to be improved, including by establishing a reliable and well-designed labelling scheme for financial products," the report noted. Additionally, the regulatory framework needs to mature, and "key concepts need to be clarified and sustainability impact or engagement better integrated," the report concluded.

The regulators plan to issue final reports and possible reform recommendations in May 2024.

OTHER CAFII MEMBER-RELEVANT NEWS

Life Insurers Increase Assuris Protection

Clients Now Get Protection For At Least 90% Of Their Death Benefits, Seg Fund Guarantees And Other Coverages If Their Life Insurer Fails

By Greg Meckbach, Investment Executive, May 29, 2023

Life insurers increase Assuris protection | Investment Executive

Clients now have greater protection if their life insurer goes bankrupt.

Assuris, the member-funded non-profit that protects policyholders if a life insurer fails, has raised its guaranteed protection levels by five percentage points across four main categories.

As of May 25, benefits are now covered for up to the greater of 90% of the promised benefits, up from 85% prior to the change, or the following amounts:

- Death benefit: $1 million (up from $200,000)
- Health expense: $250,000 (up from $60,000)
- Monthly income (e.g., from annuities): $5,000 per month (from $2,000 per month)
- Cash value and segregated fund guarantees: $100,000 (from $60,000)

Further, accumulated value benefits are now fully protected up to 90% or $100,000, whichever is higher, up from a straight maximum of $100,000. Examples of products with accumulated value benefits include accumulation annuities, universal life overflow accounts, and whole life dividend deposit accounts.

“Assuris is confident that this enhanced policyholder protection strengthens public confidence in the industry,” the organization said in a release.

Every carrier that writes life and health insurance in Canada must become an Assuris member, while fraternal benefit societies and pre-paid medical services companies can opt to become members.

Examples of Canadian life insurer failures include Union of Canada Life Insurance, which was placed into liquidation in 2012, and Confederation Life, which collapsed in 1994.

Credit Unions Trending Towards Greater Unity As Tech Pressures Mount

By Ian Bickis, The Canadian Press, May 28, 2023

https://www.therecord.com/ts/business/2023/05/28/credit-unions-trending-towards-greater-unity-as-tech-pressures-mount.html?li_source=LI&li_medium=therecord_business

From the Tobacco Workers' Credit Union in Guelph to the New Community Credit Union in Saskatoon, the names tell part of Canada's history even as they're now history themselves.

The two credit unions are part of a growing number that have been bought, merged, or shut down over the years as a combination of pressures push increasing consolidation in the sector.

While credit union numbers have been on the decline since the 1960s, insiders say rising technology demands, which ramped up during the pandemic, have led to a spike in the trend.

"Over the pandemic, we've seen a massive shift in use of digital technology, mobile technology, not just for younger people, but through all demographics," said Jeff Guthrie, chief executive of the Canadian Credit Union Association.

The increasing technology demands of customers, whether it's improved smartphone apps or faster money transfers, combined with rising regulatory expectations, have helped drive increased consolidation, he said.

"It is a scale business, where you need scale to make investments in future technologies."

The pressures have helped drive six credit unions to merge with Winnipeg-based Access Credit Union in the past two years or so.

Access chief executive Larry Davey said consolidation started to pick up with the advent of smartphones, but has increased pace as credit unions look ahead and make tough decisions on whether they have the resources to adapt and survive.

"For the sake of their members, they're being more aggressive in those decisions and saying, you know, we want to pick our dance partner now."

Demographic trends and rising competition also mean that some of the credit unions being absorbed are quite small.

Amaranth Credit Union, which will complete its technical merger with Access in June, had 1,200 members and $18 million in assets when the deal was struck. The credit union was incorporated in 1960, back at the peak of credit unions in Canada, when they numbered around 3,200.

At the time, many credit unions were closely linked to employers or ethnic groups, but as that closed system largely wound down, institutions such as the Peek Frean Employees' Credit Union and the Latvian Credit Union have been folded into larger credit unions over time.

There are still some so-called 'closed bond' credit unions linked to an employer, notably for teachers and police, but others continue to fall away. Airline Financial Credit Union, open to anyone in the airline industry, announced on May 14 that it had approval for its merger into Luminus Financial.

Affinity-based credit unions are also dwindling. New Community Credit Union was the first for Ukrainians in Canada when it opened in 1939, but it merged into Synergy Credit Union last year.

The trend has meant that in the 10 years leading up to late 2022, the number of credit unions across Canada fell by 129, or 37 per cent, to 219, according to a report last year from the C. D. Howe Institute.

As credit unions go beyond local communities, there are risks of a lower member participation rate and board capture by management, said report authors Marc-André Pigeon and Murray Fulton, noting the need for clarity of purpose and good communication.

However, consolidation doesn't have to mean a disconnect with members, even as smaller credit unions get absorbed into larger ones, said Annette Bester, national credit union leader at professional services firm MNP.

"It just becomes a little bit more of a diversity of cultures," she said.

While consolidations can sometimes come with bad connotations around losing community roots, she said there's still a local link and the alternative can be much more severe.

"If a credit union isn't sustainable, it closes its doors. If it closes its doors, there's no one that's supporting that community financially anymore by making those donations to the rink."

Credit unions have long co-ordinated on many aspects of technology without needing to merge, such as through a linked network of ATMs and pooling resources to secure online banking platforms, but there are still aspects that require individual bank resources, Bester said.

"They have to integrate it with their banking system, so that's where it gets costly for credit unions to do it themselves. That's where scale starts to matter."

The challenges of meeting the technological demands can be seen in the size of some of the mergers going on.

Servus Credit Union and connect First Credit Union, Alberta's two largest, announced in March that they would merge to create a single credit union with more than $31 billion in assets under administration.

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"They're two of the largest coming together. They're still looking at it and saying, you know, we still need more scale to be able to do everything we know we're going to have to do for our members," Bester said.

In announcing the deal, board members emphasized the need to respond to competitive pressures, and to have the resources to invest in digital innovation and prepare for open banking.

The deal will leave the merged credit union with a similar level of assets to Vancity, while Desjardins, the first successful credit union in Canada after opening its doors in 1900, is the clear giant in the space with around 7.5 million members and $407.1 billion in total assets.

But while the trend is towards larger and fewer credit unions, there are those pushing against it, finding such models don't always fit their needs.

Lighthouse Credit Union launched in 2022 as one of the few new credit unions created in Canada in recent decades.

Chairman Harley Gold said in a release announcing the launch that Lighthouse was grateful that the provincial regulator approved the credit union and that it recognized the need for a Jewish credit union.

"A credit union fits well within Jewish principles of community and giving back, and we hope that Lighthouse Credit Union can serve as a financial beacon for the community."

Company Launches Specialized Conversational Agent In The Insurance Field

By Laurène Jardin, The Insurance Portal, May 26, 2023

Koïos Intelligence has just launched *Olivo*, a specialized, insurance customer-focused, cloud-based application using natural language processing (NLP). The new technology has attracted major investors, securing $6.5-million in funding in a recent financing round.

Koïos Intelligence is a Quebec-based company founded in 2017 by Mohamed Hanini, its CEO and chief technologist. With a bachelor's degree in actuarial science and a master's degree in mathematical and computational finance from the University of Montreal, he launched Koïos Intelligence with the general goal of finding solutions and improving processes, specifically in the insurance domain in life and health and property and casualty.

"We are thrilled to support and welcome a visionary company like Koïos into our startup ecosystem, offering an innovative solution that enhances the experience of all parties involved throughout the value chain," expressed Geneviève Biron, founder and president of Propulia Capital, an investment platform that supports technology companies. Brion recently joined Koïos' board of directors.

A Look At Olivo

Olivo directly interacts with clients through online chat, provides a wide variety of insurance product information and the firm claims a seamless and efficient claims process.

"The objective was to reduce waiting time and offer a new interaction experience for consumers, not only for purchases but also for updating client information," the firm's founder says.

"The main idea is to process real-time information and make life easier for consumers while facilitating the work of brokers. Brokers will evolve towards providing more personalized advice," he added.

The conversational agent then becomes a virtual assistant for the broker, allowing quick access to consumer research and contract updates. Moreover, the user always has the option to speak with a human agent during their conversation with Olivo. The application follows a 100 per cent hybrid approach, providing consumers with the choice to interact with both artificial intelligence and a broker, Hanini explains.

Specialized Application In Its Field

The Olivo agent has been trained to analyze and classify user requests. It employs multi-modal artificial intelligence (AI), a type of AI that utilizes multiple channels of information transmission through algorithms. If a consumer asks questions unrelated to insurance, the robot will be unable to respond.

The application employs a specific deep learning model, established within a neural network, to predict the user's meaning and intentions based on structured data.

"After identifying the user's intention and understanding the instruction, the machine needs to predict an action and consequently provide a response to the question," explained Hanini. Olivo has been trained to give precise, prepared, and controlled answers based on its specialized insurance database. This distinguishes it from typical conversational agents that generate responses by relying on information found on the internet.

Hanini tested Chat GPT by asking whether the colour of a car could influence insurance premiums. He says the Olivo conversational agent has been trained not to make mistakes when faced with such questions.

Beyond online chat, Olivo possesses a revolutionary feature in the realm of conversational agents, according to Hanini. Users have the option to address the robot vocally – the agent has been trained to receive instructions or questions through voice recognition. In addition to this capability, it can communicate in forty languages.

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Confidentiality And Security

Ensuring data protection and securing users' personal information is essential for the company. Koïos Intelligence has enlisted professionals specialized in cyber-security, risk management, and operational chains. It has also partnered with various experts from the international scientific community, including the Institute for Data Valorization (IVADO) and the Montreal Institute for Learning Algorithms (MILA).

Another key aspect of confidentiality is that the Olivo agent has not been trained to reuse user's personal information but only to store it directly in the client's database.

"In our development environment, we do not have access to the user's identity. The model does not consider this information. Moreover, the robot has not been trained to retain a user's personal data.

The conversational agent's neurons have only been trained with insurance-related data from our specialized database. They are primarily prediction models," Hanini adds.

The company says it is committed to the responsibilities and obligations it has regarding clients. Consumer data is the property of the client – it's a clause stated in their contract. "Apart from the broker or insurer, no one else can use the consumer's personal data. The information is protected and controlled by the client," Hanini adds.

He also emphasized another important point regarding server geolocation. All of the company's servers are based in Canada and are therefore governed by the country's laws, which protect personal information in the private sector.

Other Projects

The company is continuously improving the performance and expanding the functionality of its Olivo application, according to Hanini. Currently, it plans to establish a "modern" call center managed by artificial intelligence. Users will be able to interact with the conversational agent via phone, utilizing voice recognition. Conversations will be recorded, allowing the agent or the broker to access information already expressed by the consumer in real-time.

Koïos Intelligence is also working on a second funding campaign, scheduled to take place in a few months. With locations in Canada, the United States, and North Africa, the company has also recently expanded its presence to France.

The company relies on demonstrations through its website to increase its visibility and awareness.

Read Story (Subscription Required): *Company launches specialized conversational agent in the insurance field - Insurance Portal (insurance-portal.ca)*

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Canadians Embrace Travel Insurance As Essential In Post-Pandemic Era

"The Pandemic Exposed The Unpredictability Of Travel"

By Mika Pangilinan, Insurance Business Canada, May 30, 2023

["Post-COVID travellers are a lot more cautious about their coverage" | Insurance Business Canada (insurancebusinessmag.com)]

As travel resumes in the post-pandemic era, one thing has become clear: travel insurance is no longer a luxury but a necessity.

This shift in consumer attitude was made clear in the results of a November 2022 study from Allianz Global Assistance, outlined in a special report by *Insurance Business.*

According to the Allianz survey, a striking 89% of Canadians with plans to travel revealed that they intend to be covered by travel insurance for their next trip.

Additionally, 74% said having travel insurance is equally or more important post-pandemic. Among them, 32% said it is more crucial than before the pandemic.

Six out of 10 Canadian travellers also revealed that they still worry about the possibility of COVID-19 affecting their travel plans, with the highest level of concern found among travellers aged 55 and above.

Even then, many revealed that they have plans to travel in the near future, as six in 10 felt confident that they would be going on vacation in the next 12 months. Out of this group, 70% consisted of millennials, while Generation Z accounted for 64%.

Notably, millennials were identified as conscientious travellers, and as the demographic that takes proactive measures to secure travel insurance before embarking on their trips.

“The pandemic exposed the unpredictability of travel and the peace of mind that travel protection can bring,” said Chris Van Kooten, CEO of Allianz Global Assistance. “As travellers look ahead with excitement and count down the days to their vacation, they are also baking in the expectation that something could go wrong – and that’s why we’re seeing travel insurance become less of a choice and more of an absolute necessity for consumers.”

Consumers’ heightened awareness of the importance of travel insurance presents an exceptional opportunity for brokers, according to Kooten, especially as the travel industry continues to recover through pent-up demand.

“Our latest study revealed that Canadian households are projected to spend over $14 billion on vacations this year – that’s more than pre-pandemic vacation spending,” he said. “With rising costs, protecting your travel investment with insurance has never been more important, and travellers who once left their vacations to chance are looking for security more than ever. There’s never been a better time to expand your offering with travel insurance.”

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Ottawa Rejigs Trusted-Traveller Program In Bid To Avoid Last Summer's Airport Chaos

By Christopher Reynolds, The Canadian Press, May 23, 2023

Ottawa rejigs trusted-traveller program in bid to avoid last summer's airport chaos - The Globe and Mail

The federal government has rolled out a revamp of its trusted-traveller program to clear clogged airports as the summer travel season kicks off.

A tweaked "verified-traveler program" will launch dedicated security screening lines at six of the country's biggest airports between June 7 and June 21, Transport Minister Omar Alghabra said on Tuesday, May 23.

"As membership grows over time, the new verified-traveler program will help improve the screening experience for more and more passengers while supporting the highest standards of safety and security," Alghabra said during a news conference at Toronto's Pearson airport.

Eligible passengers include Nexus members, military personnel, aviation workers, and RCMP officers, who will be able to pass through security more quickly – and keep their shoes and belt on throughout.

Program changes include allowing trusted travellers to keep laptops and liquids stowed in their luggage instead of placing them separately onto the X-ray conveyor belt. Children under 18 and adults 75 or older can also now accompany program members through the expedited queues.

Those eligible – including the roughly 1.7 million Nexus members – can access the lines without applying beforehand.

The announcement comes after months of travel chaos last summer, when a surge in post-pandemic demand gummed up terminals and overwhelmed airlines.

In March, the Liberal budget laid out $1.8-billion over five years for the Canadian Air Transport Security Authority (CATSA) to improve passenger screening and strengthen security measures at airports.

With traveller complaints to the regulator now topping 47,000, the government also tabled an overhaul to its passenger rights charter last month that ratchets up penalties on airlines and targets compensation loopholes around luggage and flight disruption.

"The next few months are going to be very busy as the summer season is about to begin. And I'm confident, with the preparation that has been taking place by airports, airlines, CATSA, and other organizations, that we are ready for the summer season," Alghabra said.

The airports where trusted travellers can enjoy the fruits of that status are: Toronto's Pearson, Montreal, Vancouver, Calgary, Winnipeg, and Edmonton. Security at several other airports will provide the select passengers with front-of-the-line service, Alghabra said.

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UPCOMING CAFII MEMBER-RELEVANT WEBINARS AND EVENTS

Canadian Underwriter Webinar On "The Inclusive Brokerage: Tactical DEI Strategies For P&C Insurance Firms"

Dates: Tuesday, June 6, 2023
Time: 1:00 pm – 2:00 pm EST

Canadian property and casualty insurance brokers appreciate how diversity, equity and inclusion (DEI) can help create more equitable and harmonious workplaces – and foster deeper client interactions. But there may be more than one way to get there. While some brokers assert hiring exclusively for merit will organically produce diverse workplaces, others advocate crafted programs to ensure employees understand how their actions might impact fellow team members, and see to it that everyone feels welcome and valued.

Register Here

Webinar By Torys LLP: "Beyond Outsourcing: Fintechs And The New OSFI B-10 Guideline"

Dates: Tuesday, June 13, 2023
Time: 12:00 pm – 1:00 pm EST

As lines blur between fintechs and regulated financial institutions, players are seeing increased regulatory focus and, as a result, heightened risk. Join us as we explore issues affecting fintechs and discuss how they can successfully navigate new regulatory requirements and supervisory interventions.

With its recent revisions to Guideline B-10, OSFI has extended the guideline's scope from material outsourcing to all third party arrangements, regardless of whether the activities performed by the third party can be considered "outsourcing". This update will impact fintechs that have entered, or are contemplating entering, into an arrangement with a federally regulated financial institution.

Register Here

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2023 LIMRA and LOMA Canada Annual Conference (In-Person Event): Change Happens. What's Next?

Dates: Thursday, June 15, 2023
Venue: Manulife, 200 Bloor Street East, Toronto, ON

COVID-19 and advancements in medicine, automation, technology and other areas have ushered in a new age of underwriting and evolved the art and science of the practice. Karen Cutler, VP, Head of Underwriting and Claims, and Chief Underwriter, Manulife; Norm Leblond, VP, Chief Underwriter and Claims Risk Officer, Sun Life; and Brigitte Loos, VP and Chief Underwriter, Canada Life will provide their perspectives on current and emerging underwriting hot button issues, challenges, and opportunities.

Their discourse will also cover the impact of the pandemic on underwriting and claims, as well as the rapidly changing environment including technology and medicine.

Register Here

In-Person Conference By Insurance Business Canada: "Fighting Fatigue – Insurance Leaders Share Strategies At 'Women In Insurance Summit'"

Dates: Thursday, June 22, 2023
Time: 8:00 am – 4:15 pm EST
Venue: The Carlu, Toronto

Join us at the annual Women in insurance Summit Canada in Toronto this June 22, for Fighting fatigue – How to remain on top of your game – an engaging panel discussion with leaders from Marsh Canada, Sovereign Insurance, Intact Insurance, and Ridge Canada.
They'll be addressing questions such as

- What are the best strategies for fighting fatigue, and how can we utilize them?
- How can we prioritize well-being; and, in turn, create a culture of empathy and support?
- What tools can we use to overcome challenges such as time management, multiple responsibilities, and burnout?

Register Here