



November 4, 2010

Ontario Insurance Brokers Applaud New Private Members' Bill

MPP Mike Colle introduces PMB to ban the use of credit scoring on personal property insurance

(Toronto, Ontario), The Insurance Brokers Association of Ontario (IBAO) is applauding Liberal Member of Provincial Parliament (MPP) Mike Colle's introduction today of his private member's Bill 130: *The Homeowners Insurance Credit Scoring Ban Act, 2010* which bans the use of credit scoring on personal property insurance. Currently, a growing number of insurers are using a person's credit score to measure their insured risk. This has led to an increase in insurance premiums or an outright denial of insurance to many Ontario citizens.

This announcement comes just two days after members of IBAO visited Queen's Park to meet with numerous MPP's to discuss this growing concern.

"We are thrilled that a member of the Ontario government has stepped forward and introduced this bill," stated IBAO CEO Randy Carroll. "We are extremely pleased that our collective voice was heard and that action was taken."

The current use of credit scoring to measure a person's insured risk is affecting those who can least afford it. That includes seniors, newcomers to Canada, the unemployed, single income families and small business owners utilizing lines of credit. In 2005, the Ontario government banned the practice of using credit scoring in auto insurance policies, and further enforced the ban this year as part of the new auto regulations that came into effect on September 1, 2010.

"Ontario brokers are committed to protecting Ontario consumers," continued Carroll. "We are pleased MPP Colle has taken the initiative, and recognized how unfair this practice is to Ontario's consumers," concluded Carroll.

In 2005, Mr. Colle helped ban the use of credit scoring in auto insurance when he was Parliamentary Assistant to the Minister of Finance. His actions today clearly demonstrate Colle's commitment to protecting consumers.

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The Insurance Brokers Association of Ontario (IBAO) is a 'not for profit' association that represents and serves the interests of over 11,500 independent Property & Casualty Insurance Brokers in the Province of Ontario. For information about IBAO, visit www.ibao.org or www.ibao.org/blog to receive timely news and information updates. You can also follow IBAO on Twitter or join the IBAO Facebook Fan Page.

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