

January 7, 2025

Financial Services Regulatory Authority of Ontario  
25 Sheppard Avenue West, Suite 100  
Toronto, Ontario M2N 6S6

To Whom It May Concern.

*Proposed FY2026-2027 Statement of Priorities as published December 10, 2025*

Thank you for the opportunity to comment on the 2026-2027 Statement of Priorities.

As the Ontario Mutual Insurance Association, we are providing feedback on behalf of our 34 member companies. Our members are property-casualty insurers organized and incorporated as mutuals under Ontario statute.

Our members underwrite farm, home, automobile, and commercial insurance policies. Each of our mutuals is over 100 years old, with the oldest having been established in the 1850s. Our companies are predominantly located in small towns and cities across the province. Each of our members' policyholders is a fully participating mutual member. The boards of directors of our mutuals are composed of policyholders and all policyholders are eligible to vote at annual general meetings and participate in any refunds granted from surplus.

Our member mutuals are small insurers in a rapidly consolidating property-casualty insurance sector and we have seen a consolidation trend among our members. Our mutuals, when premium volume is aggregated, write a significant volume of farm, home, and auto insurance in the province. When regionality is considered, many of our mutuals are a vital market in their region and provide essential capacity, availability, and choice for Ontario consumers.

On behalf of our members, we wish to provide the following input on some of the specific priorities identified.

## **Priority 2: Strengthen technology and data capabilities in supervision**

### *b) Begin implementing the Fraud Reporting Service for auto insurance.*

This is a major undertaking both for FSRA and for the P&C entities which will be required to report. We continue to have concerns about the overall cost of supporting the fraud reporting service, both in terms of potential external costs, as well as the internal frameworks, systems, and human resources required to meet the reporting requirements, particularly during the early implementation stages.

We also wish to reiterate our longstanding point that those entities reporting incidents through the fraud reporting service will need to have a meaningful shield from any potential liability arising from the obligation to report probable fraud.

## **Priority 3: Advance FSRA's regulatory approach and strengthen supervisory effectiveness**

### *d) Undertake a review of FSRA's supervisory activities and regulatory approach for Ontario-incorporated insurance companies and reciprocals to identify any potential areas for further improvement.*

We welcome the opportunity to participate in this review and continue to work collaboratively with FSRA to develop effectiveness and efficiencies for Ontario supervised companies. As FSRA now has been established for several years, this is an opportune time to continue progress in working together and identifying areas for improvement. We also wish to compliment FSRA's work over the past several years in terms of fostering communication with our member companies and recognizing the opportunities to work with our members collectively through OMIA.

### *f) Implement a new supervisory model for auto insurance rates and underwriting.*

We look forward to opportunities to continue to provide input as to these models and particularly to provide insight as related to smaller insurers who play a critical role in parts of the market that potentially may be underserved.

## **Priority 4: Support government priorities and objectives**

### *g) Support implementation of auto insurance reform initiatives.*

FSRA has provided leadership in bringing together stakeholders in the current round of reforms which are set to come effective July 1, 2026. We encourage FSRA to continue to provide candid feedback to policymakers on the cost benefit analysis of reform initiatives, particularly those which may have unintended consequences in a highly complex system of automobile insurance that needs to consider both first and third-party indemnities.

From an implementation standpoint, even the simplest changes in automobile coverage require significant lead time and preparation and it is imperative that as a regulator FSRA carefully review industry working materials on communication and technical; interpretation at the earliest possible point to avoid last minute working changes.

**Priority 5: Achieve meaningful impact through engagement and collaboration**

*d) Launch the Auto Insurance Point of Sale Test and Learn Environment pilot.*

We appreciate the collaboration that has taken place with our Association to date. We believe FSRA has taken a prudent approach in understanding how this potential consumer point of sale interface could have challenges in a Test and Learn Environment. We look forward to continuing to provide input.

Overall, we appreciate the opportunity to continue to provide feedback to FSRA both on a formal and informal basis. Professionalism and willingness to listen to all stakeholders is a strength of FSRA and we look forward to FSRA's continued evolution and development.

Thank you for the opportunity to provide feedback.

Yours truly,

A handwritten signature in blue ink that reads "John L. Taylor". The signature is written in a cursive style with a large initial "J" and "T".

John L. Taylor BBA, FCIP, FCLA, CHRL  
President