



Standing Committee on International Trade
c/o Christine Lafrance, Clerk of the Committee
Sixth Floor, 131 Queen Street
House of Commons
Ottawa, Ontario
K1A 0A6

Re: Pre-Study on Bill C-4, An Act to Implement the Agreement Between Canada, the United States of America and the United Mexican States

I am writing on behalf of the Canadian Life and Health Insurance Association (CLHIA) in response to the Standing Committee on International Trade's call for views on Bill C-4 to implement the agreement between Canada, the United States of America and the United Mexican States (CUSMA). I wish to take this opportunity to congratulate the federal government on the progress that has been made to date to bring this agreement into effect.

The CLHIA is a voluntary association with member companies which account for 99 per cent of Canada's life and health insurance business. The life and health insurance industry is a significant economic and social contributor in Canada. It protects almost 29 million Canadians and makes \$98 billion a year in benefit payments to residents in Canada (of which 90 per cent goes to living policyholders as annuity, disability, supplementary health or other benefits and the remaining to beneficiaries as death claims). In addition, the industry has more than \$850 billion invested in Canada's economy. In total, 103 life and health insurance providers are licensed to operate in Canada.

Canadian life and health insurers are active in over 20 countries with 3 Canadian companies being among the 15 largest in the world. Free trade agreements, such as CUSMA, provide sound, transparent frameworks under which companies can compete and grow internationally. For example, assets held by Canadian life and health insurers on behalf of policyholders outside of Canada amounted to \$898 billion at the end of 2018, up 37 percent from five years ago.

That is why we are pleased with the progress to date and would encourage the government to pass Bill C-4 and bring CUSMA into force as soon as possible.

In its previous form, NAFTA had created a supportive environment for increased cooperation and

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greater market access in Canada, Mexico and the United States. The stability provided by this free trade agreement has allowed North American businesses to grow in a predictable, transparent and competitive environment. It has increased trade, improved consumer choice and allowed for greater cooperation among policymakers, the business community and regulators. The NAFTA Financial Services Committee, for example, provided a mechanism for regulators in Canada, Mexico and the United States to share information and discuss developments or areas of concern that could affect the sector. The dialogue that has occurred through this Committee has provided a valuable mechanism to resolve certain trade issues without formal and costly disputes. That is why it is important for this Committee to continue to operate under the CUSMA.

Thank you for your consideration of the views of the Canadian life and health insurance industry. Should you have any questions, please feel free to reach out to me directly at smurray@clhia.ca or 613-691-6002.

Susan Murray
Vice President, Government Relations and Policy
CLHIA