

# Consumer Advisory Panel

## Meeting with FSRA Board of Directors



# FSRA

Financial Services Regulatory  
Authority of Ontario

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**Date: May 9, 2025**



Ontario

# Agenda

Agenda Item	Duration	Time	Lead
1. Opening and Roundtable Introductions	15 min	10:00 – 10:15	Joanne De Laurentiis Lucy Becker
2. Looking Back at 2024-2025	5 min	10:15 – 10:20	Harvey Naglie
3. Empowering Consumers in a Modernized Regulatory Landscape:	40 min	10:20 – 11:00	Lucy Becker
<ul style="list-style-type: none"> <li>• Consumer Challenges</li> <li>• Consumer Awareness &amp; Empowerment</li> <li>• Consumer Awareness &amp; Empowerment – Pensions</li> <li>• From Data to Policy Action</li> <li>• Consumer Outcomes – Auto Insurance Claims</li> <li>• Procedural Harmonization and Modernization</li> </ul>			<ul style="list-style-type: none"> <li>• Julie Kuzmic</li> <li>• Terri Williams Kinghorn</li> <li>• Peter D'Iorio</li> <li>• Ed Weinstein</li> <li>• Ninette Ibanez</li> <li>• Harvey Naglie</li> </ul>
4. Discussion	35 min	11:00 – 11:35	
5. Closing	10 min	11:35 – 11:45	Joanne De Laurentiis Lucy Becker
6. In Camera session with Board and FSRA Management	15 min	11:45 – 12:00	FSRA Board FSRA Management



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## Opening letter from Consumer Advisory Panel to the FSRA Board Members



### Panel Members

Harvey Naglie (Co-Chair)  
Lucy Becker (Co-Chair)  
Edwin Weinstein  
Ellen Bessner  
Julie Kuzmic  
Karina Souza  
Leeann Corbeil  
Liisa Woolley  
Ninette Ibanez  
Peter D'lorio  
Samuel Lichtman  
Terri Williams Kinghorn  
Zahir Dharsee

Laura Tamblyn Watts (Past  
Chair)



### Overview

- The Consumer Advisory Panel serves as an advisory body to FSRA and meets regularly with FSRA staff
- FSRA created the Panel in 2020 – this year will be its **sixth term**
- Engagement model allows members to draw on both **content expertise and process expertise** in providing advice to FSRA
- **FSRA's website** includes information about the Panel, including its Terms of Reference
- Per the Panel's Terms of Reference, its submissions, including its presentation to the Board, are **published on FSRA's website**



Looking Back

- CAP members participated in two public consultations conducted the Ministry of Finance:
  - Review of the *Mortgage Brokerages, Lenders and Administrators Act, 2006* (MBLAA)
  - Framework for Life and Health Insurance Managing General Agents (L&H MGAs) and proposed amendments to the *Insurance Act*
- CAP members also participated in a consumer consultation held by the Canadian Council of Insurance Regulators (CCIR) and the Canadian Insurance Services Regulatory Organizations (CISRO) on their Consolidated Segregated Funds Guidance
- Ministry of Finance representatives participated in general CAP meetings
- Appointment of 5 new members
- 8 working groups were established and/or maintained

## 7 Written Submissions

- Ontario Private Passenger Vehicles Annual Review Consultation
- FY2025-26 Statement of Priorities
- Total Cost Reporting Rule Consultation
- Consultation on Auto Reforms
- Private Residential Mortgage Lending in Ontario
- Consumer Friendly Principles-Based Regulation – Board submission
- CAP input to FSRA Board (presented at May 2024 CAP meeting with FSRA Board)

## CAP Meetings

- 1 meeting with FSRA Board
- 4 General CAP meetings
- 2 Policy Lab meetings
- 8 Working group meetings
- 3 Meetings with CCIR

## Cross Sector:

- Briefing on Consumer Office research studies
- Strengthening protection of Vulnerable Consumers
- Consumer Education Campaigns
- Enforcement in Principles-Based Regulation
- Strategic Planning and Priorities
- Complaints Resolution Framework and Best Practices



### **Auto Insurance**

Automobile Insurance Rating and Underwriting Supervision Guidance  
Auto Insurance Reforms



### **Financial Planners / Advisors**

Financial Professionals Title Protection Framework



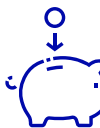
### **Credit Union**

Unclaimed Deposits Rule



### **Home Insurance**

Home Insurance Thematic Review Report



### **Pensions**

Foundational briefing



### **Life and Health Insurance**

Life and Health Insurance Agent Supervision Report



# Strategic Discussion



# From Awareness to Action: Enhancing Consumer Outcomes in Financial Services

CAP Presentation to  
FSRA Board

May 9, 2025

Presenters:

Lucy Becker,  
Harvey Naglie,  
Julie Kuzmic,  
Ninette Ibanez,  
Terri Williams  
Kinghorn,  
Peter Diorio and  
Ed Weinstein

# Our Objective Today

- Targeted recommendations designed to promote a regulatory environment characterized by more informed consumers, better defined and measurable regulatory outcomes and more evidence-based and efficient policy making
- Focus on three pillars:
  - Consumer Awareness & Empowerment
  - Using Data to Improve Consumer Outcomes
  - Procedural Efficiency & Modernization



# Understanding the Constraints

- In presenting our recommendations we appreciate the statutory and operational parameters within which the Board must operate.
- We know that FSRA's authority is constrained by its enabling legislation, and that the Minister's annual letter of direction sets out specific deliverables / priorities that the Board is expected to achieve.
- Within these parameters, we have tried to identify areas where a combination of leadership and innovation will help FSRA in its efforts to create a regulatory environment that results in better outcomes for consumers.

# Appreciating the Challenges

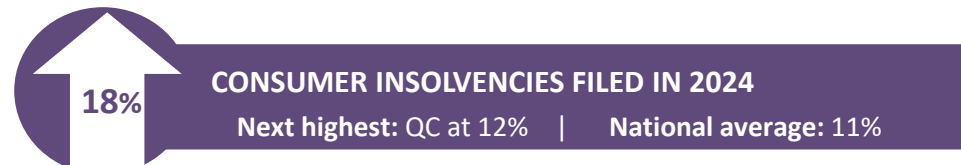
- As Board members you are required to exercise strategic oversight in a dynamic environment shaped by:
  - growing geo-political uncertainty;
  - persistent inflationary pressures; and
  - a rapidly evolving technological landscape.
- In addition, demographic shifts—such as the aging of the population and the expansion of Ontario’s immigrant base—create new demands for consumer protection and inclusion across all sectors (see 2024 FSRA Cross-Sectoral Survey results).

# Quantifying the Consumer Challenges

## ONTARIO MORTGAGE HOLDERS



## ALL ONTARIO CONSUMERS




All figures represent changes from Q4 2023 to Q4 2024, except where noted

Sources: [Stable versus Struggling: Canada's Financial Divide Widens](#)  
[Insolvency Statistics in Canada — December 2024](#)



# Consumer Awareness & Empowerment

- Objective: Strengthen transparency, disclosure and inclusion through proactive education and plain-language tools.
- Key Initiatives:
  - Sector-specific plain-language disclosure templates.
  - Require all registrants/regulated entities to link to FSRA website, include “regulated by” on all statements/invoices/documents
  - Just-in-time, multilingual educational tools.
  - Mandated vulnerability assessments in sales processes.
  - Enhanced “Check Credentials Tool” with video explainers.



# Consumer Awareness & Empowerment - Pensions

## Current Challenge:

Private sector pension members receive far less retirement income than public sector peers due to lower contributions and unmanaged risks.

	<u>Totals all plans</u>	<u>Big 7 public sector</u>	<u>Balance of assets &amp; members *</u>
<b>Total Assets</b>	\$ 834,000,000,000	\$560,000,000,000	\$ 224,000,000,000
<b># of plan members</b>	4,600,000.00	1,700,000.00	1,900,000.00
<b>Assets per member</b>	181,304.35	329,411.76	117,894.74
<b>Number of Plans</b>	4360	7	4281
<b>Assets per plan</b>	\$ 191,284,404	\$ 80,000,000,000	\$ 52,324,223
<b>* Excludes MEPPs and Target Benefit Plans</b>			



# Consumer Awareness & Empowerment – Pensions (2)

- A Key Factor Contributing to this Unsatisfactory Outcome
  - Many private sector workers lack awareness of pension options, risks, and fees, leading to poor retirement outcomes.
- How to Rectify the Situation:
  - Greater financial awareness and engagement would enable consumers to make informed decisions, avoid excessive fees, and demand better products.
  - Empowered consumers can drive plan providers, advisors, and sponsors to clarify roles, improve transparency, and design fairer, more effective plans.
  - Foster collaboration among regulators, providers, and employers to support informed consumer choices and protect vulnerable members

# Using Data to Improve Consumer Outcomes

- Objective: Improve consumer outcomes by promoting an organization-wide data informed operating ethos based on real-time feedback, quantifiable metrics and transparency.
- Proposals:
  - Cross-sector unified digital complaint and inquiry portal to streamline navigation and redress across regulated sectors
  - FSRA Net Consumer Benefit Score via post-transaction surveys.
  - Public dashboard tracking key consumer outcome metrics.



# From Data to Policy Action

- Pilot a senior staff cross-sector working group tasked with converting consumer outcome and sentiment data into regulatory responses.
- Prioritize regulatory action based on harm / risk of harm circumstances.
- Ensure transparency and accountability via regular public reporting.




# Consumer Outcomes – Auto Insurance Claims

**Consumer Outcome:** Auto accident victims received health benefits quickly ⇔ **Health benefit claims are not denied**

- Publish **clear and unambiguous** guidelines
  - What constitutes proper notice required to be provided by insurance companies to consumers (accident victims) as prescribed in various sections of the SABS<sup>1</sup>
  - Insurers' privilege to obtain an expert witness (IME/IE) before insurers deny health benefit triggering a legal dispute to start at the LAT; s. 44 of the SABS
- Regular publication of reports on the **pro-active and meaningful** audit of insurers' compliance

<sup>1</sup> s. 32(2) [*emphasis on 32(2)(c)*]; 36(4)(b), 38(2)&(8), 39, 42(3), [*emphasis on "medical and any other reasons"*], 44(5), 45(3), 64



# Consumer Outcomes – Auto Insurance Claims (2)

**Consumer Outcome:** Auto accident victims receive health benefits quickly ⇔ **Health benefit claims are not denied** ⇔ *current landscape rationalization*

## CURRENT LANDSCAPE

- Victims' Health Practitioners losing against Insurer's Medical Experts
- In 2017: Insurers spent **\$1.5M** on medical experts **to deny health benefit claims** of 471 victims, with **\$0 spent on medical treatments** for said victims; spent **\$157M** on medical experts, about 42% of payments towards the medical treatments of 71,313 victims
- In 2023, based on 1108 LAT decisions, the injured parties were fully successful 10 % of the time whereas the insurers were successful 71% of the time with a further 19 % resulting in a split decision.<sup>1</sup>

[ONTARIO TRIAL LAWYERS ASSOCIATION Expanded LAT AB Decision Data September 20, 2024](#)

# Regulatory Efficiency & Digital Modernization

- Objective
  - Enhance regulatory efficiency and effectiveness by modernizing FSRA's systems, processes, and approach to oversight, enabling faster, more data-driven, and stakeholder-friendly regulation
- Recommendations:
  - Fully Digitized Operations and Advanced Data Analytics.
  - AI-Enabled Case Management and Decision Support.
  - Enhance Test and Learn Environments (TLEs) for Regulatory Innovation



# Alignment with FSRA Strategy

- Our recommendations support FSRA's cross-sector priorities including, stakeholder engagement, modernization, and better consumer outcomes.
- These recommendations are in line with the broader provincial government's focus on modernizing consumer protection.
- We support a hybrid regulatory model that combines clarity with adaptability.



# Final Reflections and Requests

- Embed CAP recommendations into FSRAForward and sector reform programs.
- Expand CAP's role in consumer research, outreach and engagement.
- Seek Board guidance on how CAP can most effectively help FSRA achieve financial safety, fairness, and choice for Ontarians



# Background Information

To support a productive and informed discussion, we are pleased to provide the following materials.

- [Background Notes](#)
- [Complaints Resolution: Policy Framework and Best Practices Guidance \(December 2021\)](#)
- [Complaint Handling: Strengthening FSRA's Complaints Resolution Framework](#)