

# FSRA Consumer Advisory Panel (“Panel”)

Presentation to Board of Directors

May 1, 2026

# Agenda

Item	Duration	Time	Lead
1. Opening and Introductions	10 min	10:00 – 10:10	FSRA Board Panel Members
2. Looking Back	10 min	10:10 - 10:20	Lucy Becker
3. Looking Forward			Harvey Naglie
• Consumer Outcomes			• Edwin Weinstein
• Complaint Handling	15 min	10:35 - 10:50	• Terri Williams
• Protecting Vulnerable Consumers	15 min	10:50 - 11:05	• Julie Kuzmic
4. Discussion	25 min	11:05 - 11:30	
5. In-Camera Session with Board and Panel	15 min	11:30 – 11:45	FSRA Board Panel Members
6. In-Camera session with Board and FSRA Management	15 min	11:45 – 12:00	FSRA Board FSRA Management

**Introduction**

**Looking Back**

**Looking Forward**

**Consumer Outcomes:**  
Measuring What Matters

**Complaint Handling:**  
Making the System Navigable

**Protecting Vulnerable Consumers**

# Introduction

**Lucy Becker**  
**Harvey Naglie**

# The Panel

## Members

- Harvey Naglie (Co-Chair)
- Lucy Becker (outgoing Co-Chair)
- Edwin Weinstein
- Dino DiMarco
- Julie Kuzmic (incoming Co-Chair)
- Karina Souza
- Liisa Woolley
- Meseret Haileyesus
- Ninette Ibanez
- Samuel Lichtman
- Terri Williams Kinghorn
- Zahir Dharsee

## Overview

- FSRA established the Consumer Advisory Panel in 2020 to serve as an advisory body to FSRA. **The Panel's** Terms of Reference (TOR) is available [here](#)
- Per the TOR, Panel submissions, including its presentation to the Board, are **published on FSRA's website**

# Who the Consumer Advisory Panel is

## Presentation Structure

### Panel Role

- **Consumer voice** is one of several inputs to FSRA's regulatory work
- **Cross-section and depth of views** across all the financial products FSRA regulates
- **Consumer experience lens**, not FSRA's internal processes; assess what consumers encounter, not how the regulator is managed

*We open with a brief account of what we said last year and where things stand, then turn to forward-looking recommendations for the year ahead. Additional information on the Panel's activities during the previous term are included in the Appendix.*

### 3 Broad Themes

- **Systemic issues resist item-by-item answers**: consumer protection gaps are structural and cross-sector
- Three well-developed themes allow for **deeper analysis and more actionable recommendations** than a broader survey of topics
- Panel's comparative advantage: we **identify patterns and issues visible from the consumer side**; that value is best demonstrated thematically
- We remain **available to respond** in writing to any specific Board questions not addressed today

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# Looking Back

Lucy Becker  
Harvey Naglie

# May 2025 to Today

## What We Raised and Where Things Stand

	2025 Panel Request	Current Status from Panel's Perspective
<b>PILLAR 1</b> <b>Consumer Awareness and Empowerment</b>	<ul style="list-style-type: none"><li>• Mandatory plain-language disclosure templates</li><li>• Mandated vulnerability assessments in sales</li><li>• Check Credentials Tool enhancements</li><li>• Cross-sector awareness framework (e.g. "Regulated by FSRA" on policies, invoices, and statements)</li></ul>	<ul style="list-style-type: none"><li>• Title Protection Framework in place</li><li>• Consumer-facing requirements still voluntary, not enforceable</li><li>• Mandatory disclosure and vulnerability assessments not yet required (Direction correct; velocity insufficient)</li></ul>
<b>PILLAR 2</b> <b>Using Data to Improve Consumer Outcomes</b>	<ul style="list-style-type: none"><li>• Net Consumer Benefit Score</li><li>• Public dashboard for consumer outcome metrics (resolution rates, time to resolve, satisfaction)</li><li>• Unified digital complaint and inquiry portal</li></ul>	<ul style="list-style-type: none"><li>• Enterprise data strategy named priority for '26-27</li><li>• Net Consumer Benefit Score still at funding-proposal stage</li><li>• Unified portal unbuilt</li><li>• Complaint data not published since FY2020</li><li>• First enforcement report issued March 2026</li></ul>
<b>PILLAR 3</b> <b>Procedural Efficiency &amp; Modernization</b>	<ul style="list-style-type: none"><li>• Fully digitized cross-sector operations</li><li>• MGA licensing rule (Panel supported through two rounds of consultations, targeted June 2026)</li><li>• Cross-sector complaint data standardization</li></ul>	<ul style="list-style-type: none"><li>• <i>FSRAForward</i> recommitted to in FY2026-27 Annual Business Plan — a positive signal</li><li>• Legacy tech risk still classified High</li><li>• MGA licensing rule paused (orphan policyholders accumulating without protection)</li></ul>

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# Looking Forward

Lucy Becker  
Harvey Naglie

# Turning Regulatory Intent into Consumer Impact

Three areas where regulatory intent can be translated into outcomes consumers actually experience

1

Consumer Outcomes

2

Complaint Handling

3

Protecting Vulnerable Consumers

- Three segments
- Three areas where the gap between intent and consumer impact can be reduced
- Each ends with a specific, achievable request

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# Consumer Outcomes: Measuring What Matters

**Dr. Edwin Weinstein**  
**Ph.D., Measurement & Evaluation**  
**Licensed Organizational/Industrial Psychologist (C.Psych.)**

*Relevant Experience: Developed more than 600 research studies in financial services for clients in North America, Europe & Asia*

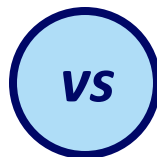
# Key Distinction

## Process and Consumer Outcome Metrics

### Process Metrics

Is the FSRA regulatory machinery functioning?

- Complaint volumes filed
- Licensing applications processed
- Audits completed
- Rule consultations concluded



### Consumer Outcome Metrics

Is FSRA's work actually protecting consumers?

- Do consumers understand what they are buying: *mis-selling and right choices*?
- How often do consumers have problems that don't proceed to a formal complaint?
- Are complaints resolved in a timely way?
- Has trust and confidence in the sector improved?
- Are consumers aware of FSRA as a source of "protection"?

**FSRA currently has extensive process metrics and plans to gather consumer metrics information in a cross-sector survey**

# Panel's Proposed Framework:

## Five Consumer Outcome Metric Categories

1

### Post-Transaction Surveys (FSRA Complainants)

Gather and analyze complaints in a standardized manner across sectors

Report numbers and known outcomes in a public dashboard

#### Alternative methods

- Internal analysis
- Online follow-up of complainants
- Point of Contact surveys

2

### Missed Complaints

Estimate the amount and nature of harm that consumers experience using FSRA providers without filing a complaint

The number will be vastly larger than filed complaints.

#### Alternative methods

- Online survey
- Consumer panel
- FI/regulator liaison
- Request access to customer survey reports (anonymized)

3

### Trust & Confidence Indicators

*Leading indicators:* erosion of trust precedes and predicts increases in harm (cf. FCA Consumer Duty)

Measure awareness of FSRA to judge limits

#### Alternative methods

- Omnibus survey
- Online survey

4

### Do Consumers Understand Titles & Credentials?

Assess awareness of title capabilities & limits; without it, FSRA cannot know if Title Protection is working.

#### Alternative methods

- Sample and review provider promo material to assess whether stated
- Omnibus survey
- Online survey

5

### Industry Feedback on Initiatives

Less formal information-gathering about impacts of rules on companies, agents and clients

A chance to identify what providers view as the salient issues for their clients

#### Alternative methods

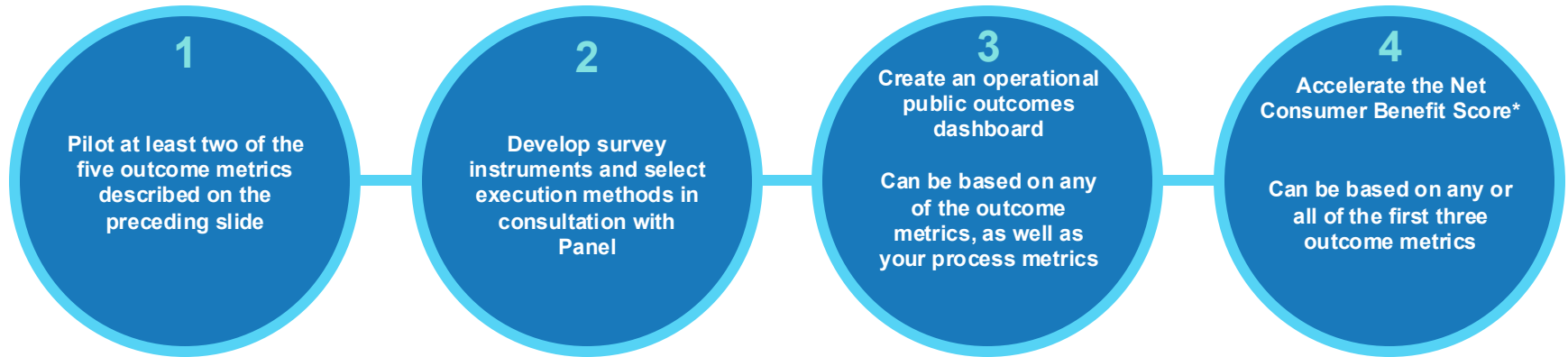
- Selected in-depth interviews
- Survey of compliance officers and/or CEOs

**Post-transaction surveys:** standardized instrument; administered at mortgage approval/renewal, insurance issuance, claim resolution, pension enrolment, advice engagement

**Minimum number of responses and representative sampling** required for statistical validity

# Consumer Outcomes

## Panel's Request



*\* "Net Consumer Benefit Score" is an adaptation of the well-researched Net Promoter Score used in Quality Research. It is the "% Favourable - % Unfavourable" responses.*

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# Complaint Handling: Making the System Navigable

Terri Williams Kinghorn

# Encouraging Progress on Complaints

## Current State of Complaint Systems

- Different complaint definitions, process requirements, timelines, and reporting obligations across sectors
- Consumer may face three entirely different systems for mortgage, life insurance, and pensions
- Current status – Guidance only
- Reporting: Most recent **FSRA Complaints Report** is from FY 2021-2022

### Examples of Progress & Data Points:

- FSRA's private mortgage supervision plan results
- Auto Insurance Licence Appeal Tribunals (LATs)

# Private Mortgage Supervision Results

## - November 20, 2025

**100%**

Lacked documented suitability assessments and exit strategies

**65%**

Showed incorrect APR calculations

**51%**

of 6-month term private mortgages had APRs exceeding the federal criminal interest rate of 35%

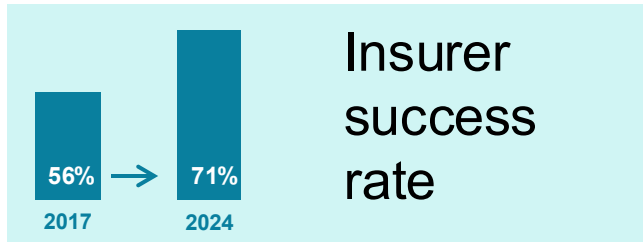
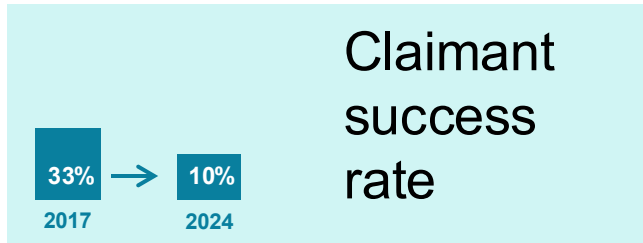
**73%**

Missing or inadequate disclosure of material risks

Source: Mortgage Brokering Supervision Plan 2024-2025  
2024-2025 Supervision Activities and Findings

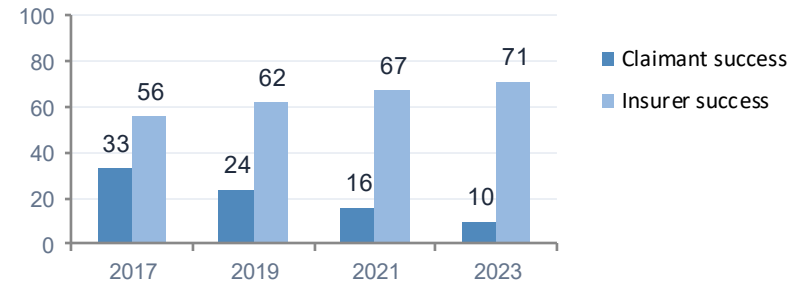
# The LAT Auto Insurance Record

A seven-year trend



## Behavioural consequence

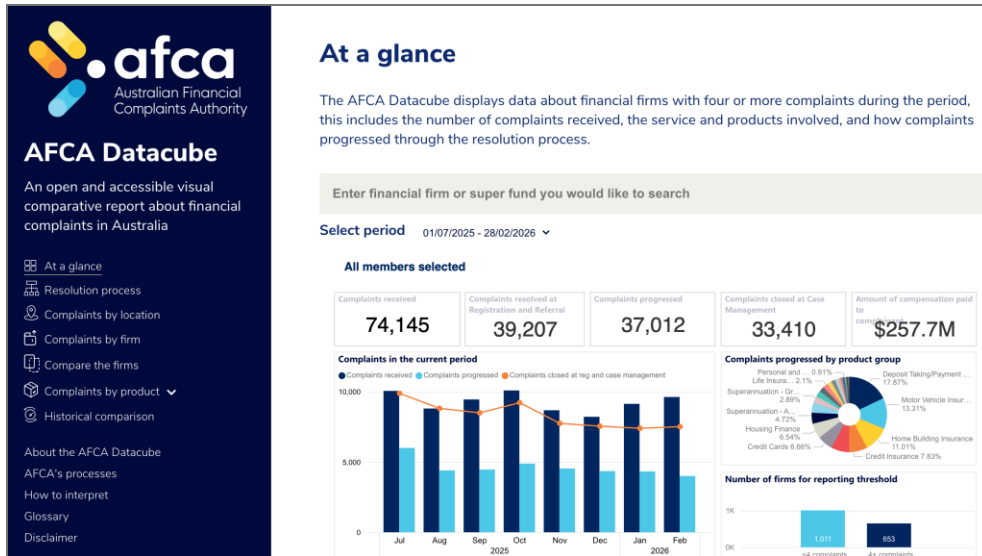
- Insurers increasingly deny claims. Often claimants may give up rather than navigate a system producing this outcome ratio
- A tribunal designed for consumer access has become one where institutional insurer advantages are compounded



Source: Ontario Trial Lawyers Association study — ~4,500 LAT decisions since 2016

# Australia's Example

## Success Factors for a Well-Functioning Complaint System



[Australian Financial Complaints Authority](https://www.afca.gov.au)

### Unified entry point

A single, clearly branded front door routing consumers to the correct process regardless of sector

### Common definitions & timelines

- Cross-sector complaint definition
- 5 business day acknowledgment timeframe (Panel recommendation)
- Sector-specific resolution targets with published actuals

### Annual public outcome reporting

Volumes, resolution rates, average time, proportion upheld for consumer, proportion referred to external dispute resolution

### Enforcement: disgorgement

Without disgorgement powers a regulated entity that systematically underpays claims retains the benefit after a finding → Is this a fee schedule for misconduct?

# Complaint Handling

## Panel's Request



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# Protecting Vulnerable Consumers

Julie Kuzmic

# 2025 ONTARIO CONSUMER INSOLVENCY PROFILE

## The Mainstream Face of Financial Vulnerability

**42.3** Average Age

**85%** Actively Employed

**37%** Married  
Have Dependents

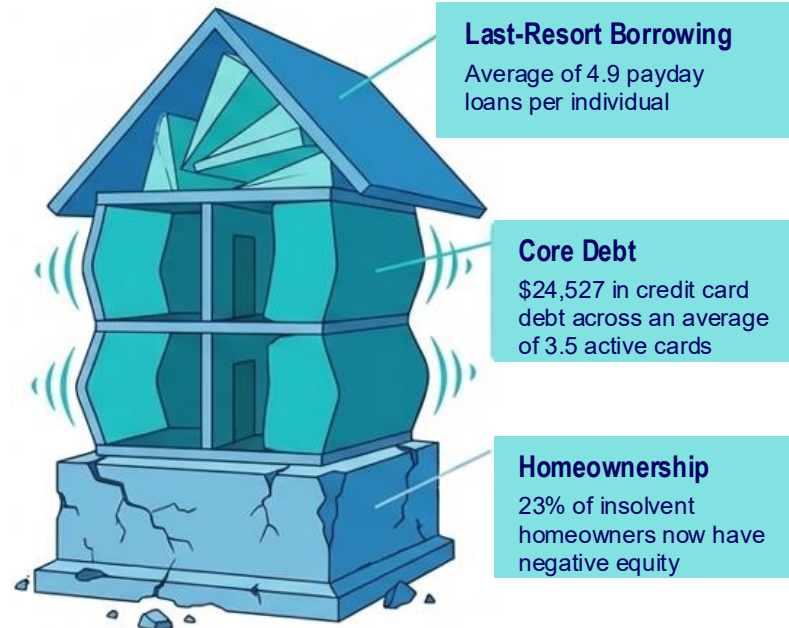
This is not a marginalized fringe. This is the employed, working-class Ontarian

- Over **8.7M total visits** to Ontario food banks in 2025 (165% increase since 2020)
- Over **1M unique individuals** visited a food bank last year (87% increase since 2020)<sup>1</sup>

Sources:

1. [Feed Ontario](#) The persistent problem of Hunger in Ontario  
All other data: Hoyes, Michalos & Associates Inc. [Annual Bankruptcy Study](#), 2025. Published February 9, 2026

## DEBT LAYERING



**TOTAL AVERAGE UNSECURED DEBT**  
**\$67,496** (Highest on record)

# THE STORED STRESS PRESSURE GAUGE

## False Positive Metric

Ontario consumer insolvencies increased by only **1.2%** from 2024 to 2025



## Hidden Pressure Metric

Overall unsecured debt loads increased by **11.2%** in the same period

**Ontarians are not avoiding insolvency; they are delaying it by exhausting all available credit  
Financial stress is being stored, not resolved**

**Environment:** trade uncertainty | potential job market deterioration | inflationary pressure

Exhaustion of household borrowing capacity (stacking reaches limits)

Over 1.15 million mortgages\* to renew in 2026<sup>1</sup> (many at historic low origination rates)

\*national figure



**Projected 20% spike in personal insolvency filings in 2026 as coping mechanisms collapse**

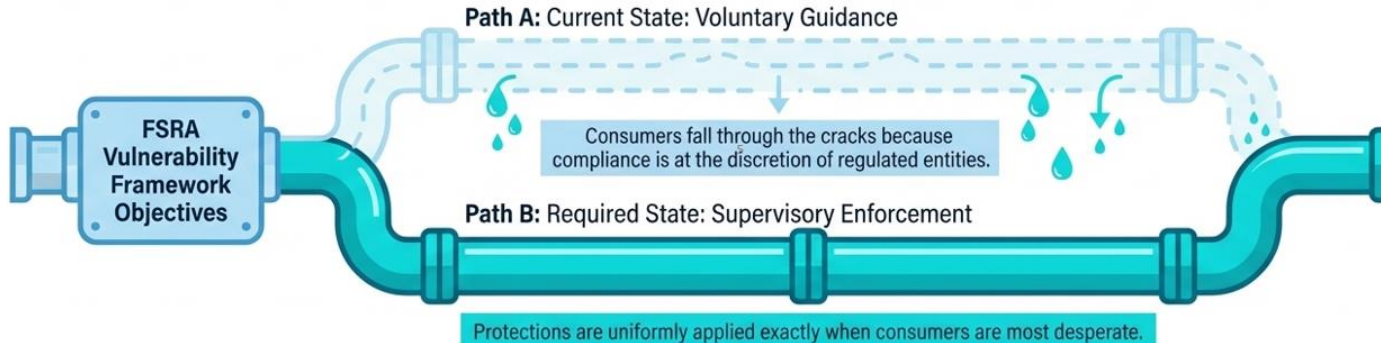
# EMPATHY GAP

## Reality and Implications

### Vulnerable Consumer Reality

Consumers layer **toxic debt** out of **survival necessity**; complex disclosures are **unreadable in a state of cognitive scarcity**

Vulnerability is **systemic** and **situational**; defined by FSRA as “*higher risk of experiencing financial mistreatment, hardship or harm*”



# MEANINGFUL PROTECTION FOR VULNERABLE CONSUMERS

1

**Mandated  
Vulnerability  
Assessments**

**Required in at least one sector** (life & health insurance recommended)

**Document:** time pressure, language barrier, life event, cognitive impairment, financial distress

**Triggers:** additional disclosure + mandatory cooling-off

2

**Communication  
standards under  
stress**

**Disclosure must be tested for comprehension under stress, not just reviewed by legal dept**

**Standard:** does this work for an anxious, time-pressured, financially unsophisticated consumer?

3

**Orphan  
policyholders**

**MGA licensing pause has widened this gap**

Re-implementing MGA obligations will bridge the current protection gap and stabilize the environment for orphan policyholders

4

**Cross-regulator  
harmonization**

**Panel in dialogue with OSC and CIRO Investor Advisory Panels**

Fragmented frameworks create exploitable jurisdictional gaps

Board can support FSRA-OSC leadership engagement

# Protecting Vulnerable Consumers

## Panel's Request



***To meet a challenge of this magnitude, we must be as bold as the environment is complex***

# Turning Regulatory Intent into Consumer Impact

## Panel Request Summary

THEME

1

### Consumer Outcomes

1. Pilot at least two of the five outcome metrics on slide 8
2. Develop survey instruments and select execution methods in consultation with Panel
3. Create an operational public outcomes dashboard
4. Accelerate the Net Consumer Benefit Score

THEME

2

### Complaint Handling

1. Adopt common complaint data definitions and minimum timeliness standards
2. Commit to publishing sector-specific complaint outcome data in a public-facing format
3. Engage with the Ministry of Finance on the disgorgement authority question

THEME

3

### Protecting Vulnerable Consumers

1. Pilot mandated vulnerability assessments in one supervised sector
2. Enforce consumer testing of disclosure materials for complex products
3. Engage with OSC counterparts on harmonization of vulnerability definitions and protections across Ontario's financial services sector

# Appendix

Recap of 2025-2026 Panel Activities

# Recap of 2025-2026 Panel Activities

- Panel members held discussions with three external organizations:
  - **Ministry of Finance** roundtable on Pharmacy Preferred Provider Network in June 2025
  - **Ministry of Public and Business Service Delivery and Procurement** discussion on Ontario's *Consumer Protection Act, 2023* in June 2025
  - **Registered Insurance Brokers of Ontario (RIBO)** consultation on Measuring RIBO's Regulatory Effectiveness for Consumers
- Ministry of Finance representatives participated in General Panel meetings
- Appointment of 4 new members
- 8 working groups were established and/or maintained
- 28 comment letters submitted to FSRA
- Panel Co-Chairs reached out to the Ontario Securities Commission's and the Canadian Investment Regulatory Organization's respective Investor Advisory Panels to propose collaboration opportunities on consumer protection in Ontario's financial services

## Written Submissions to FSRA Consultations

1. Proposed Life and Health Managing General Agents Rule Consultation
2. Updated Proposed Life and Health Managing General Agents Rule Consultation
3. FSRA's Proposed 2026-2027 Statement of Priorities
4. Consultation on Point of Sale in Test and Learn Environment

## Panel Meetings

- 1 meeting with FSRA Board
- 4 General Panel meetings
- 1 Policy Lab meeting
- 11 Working group meetings