



Response to FSRA Proposed FY2025-2026 Statement of Priorities and Budget

December 6, 2024



QAFP[®]



Introduction

FP Canada is pleased to provide feedback for consideration to the Financial Services Regulatory Authority of Ontario's (FSRA's) proposed FY2025-26 Statement of Priorities and budget.

A national professional body working in the public interest, FP Canada is dedicated to championing better financial wellness for all Canadians by leading the advancement of professional financial planning in Canada. FP Canada is the leading certification and enforcement body for professional Financial Planners in Canada. There are about 17,300 CERTIFIED FINANCIAL PLANNER® professionals and about 1,200 QUALIFIED ASSOCIATE FINANCIAL PLANNER™ professionals who meet FP Canada's rigorous professional and ethical standards, including 9,000 in Ontario.

Our comments in this submission are specific to the Title Protection Framework efficacy review and FSRA's strategic priority to *"Ensure the effectiveness of the title protection framework for Financial Planners / Financial Advisors"*. Central to our comments in this submission is the importance of continuing to prioritize the public interest and protecting consumers through FSRA's Title Protection Framework.

Minimum Standards

To meet the goal of consumer protection, as part of FSRA's efficacy review, we believe it is necessary for FSRA to provide clarity around its minimum standards.

Clarity around minimum standards will allow Credentialed Bodies (CBs) and the consumer to more clearly understand FSRA's expectations under its Principles Based Regulatory Approach. Ambiguity between FSRA and CBs regarding minimum standards does not serve the public interest.

Clarity around minimum standards further provide a baseline understanding for the continued evolution of the Framework. FSRA has always been clear that Title Protection, when announced, was a starting point and not an end point. Clarity around these minimum standards aligns with that goal and provides an opportunity for stakeholders to provide helpful and relevant input.

There are many ways FSRA could provide this type of clarity, such as through enhanced guidance, rule amendments, or clarifying Q and As. No matter how it is provided, we believe this clarity is essential to protecting the public interest and ensuring the Title Protection Framework is both rigorous and effective.

Audits/Examination Process

We believe the reporting around FSRA's Audit/Examination process could be enhanced.

In particular, we believe that to enhance consumer protection and protect the public interest, future reports should include specific reference to identified deficiencies found. The severity of any such deficiencies should also be disclosed as well as the steps that the applicable CBs are expected to undertake to address all identified issues.

Timelines should further be provided as to the amount of time a CB would have to implement the required changes. In addition, FSRA should take steps to ensure that all deficiencies are rectified, and the results of any subsequent follow-up are reported publicly.

We recognize that per FSRA's audit/examination reporting rules and guidance that it will continue to report these disclosures anonymously. However, that should not be a barrier to reporting the content and the remedies and timelines.

Efficacy Review Consultation

From a process standpoint we recommend that FSRA publish its efficacy review of the Title Protection Framework for consultation and input.

We recognize that FSRA has reached out to stakeholders as part of the efficacy review but there is still uncertainty at this point on the proposed changes to the Title Protection Framework. Providing stakeholders and approved CBs with an opportunity to provide commentary and input on the entirety of FSRA's perspective coming out of this review is an important step to take as part of the review of the Framework to date.

Conclusion

We appreciate the opportunity to provide input into this consultation and we greatly appreciate the time FSRA has taken to meet with us directly to discuss ways to improve the Title Protection Framework.