

MARCH 1, 2012 ISSUE

OBSI UPDATE – MARCH 1, 2012

This note is one in a series of newsletters updating you on what's happening at the Ombudsman for Banking Services and Investments (OBSI).

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1) G20 Continues Work on Financial Consumer Protection Initiative

As we have previously reported, at their meeting in France in October, the finance ministers and central bank governors of the G20 countries endorsed the [framework for financial consumer protection](#) developed by the Organization for Economic Co-operation and Development (OECD) and the Financial Stability Board (FSB).

At the recently-concluded meeting of the same group in Mexico City, the G20 affirmed its commitment to the framework and announced [the next step](#) in furthering this initiative:

...advancing the financial consumer protection agenda by developing effective approaches to support implementation of the High Level Principles endorsed in Cannes.

The original principle concerning financial complaints handling and redress reads as follows:

Jurisdictions should ensure that consumers have access to adequate complaints handling and redress mechanisms that are accessible, affordable, independent, fair, accountable, timely and efficient. Such mechanisms should not impose unreasonable cost, delays or burdens on consumers. In accordance with the above, financial services providers and authorised agents should have in place mechanisms for complaint handling and redress. Recourse to an independent redress process should be available to address complaints that are not efficiently resolved via the financial services providers and authorised agents internal dispute resolution mechanisms. At a minimum, aggregate information with respect to complaints and their resolutions should be made public.

2) Media Coverage of OBSI

Last week we published OBSI's [2011 Annual Report](#), which covers a tumultuous period for Canada's independent banking and investment ombudsman. The Annual Report lays out what's at stake in the public policy debate about financial sector dispute-resolution in Canada.

OBSI received significant media coverage after the release of the Report. A sample excerpt:

[Globe and Mail, Feb. 25, 2012](#): The Ombudsman for Banking

s and Investments (OBSI) said the move by Toronto-Dominion Bank and Royal Bank of Canada to opt out of the process and instead hire their own independent firms to handle customer complaints lacks credibility.

"The dispute-resolution process that consumers access needs to be credible, independent, and impartial – not beholden to any one stakeholder group," OBSI said in its annual report, released on Friday. "Allowing banks to choose a dispute resolution provider gives all the power to the financial institution and none to the consumer.

The Globe and Mail [continues](#):

The Department of Finance has yet to rule whether banks could be forced to use the ombudsman, or disregard the process and break out on their own. This has led to the "fragmentation of banking consumer protection" in Canada, OBSI's annual report said.

The World Bank recently flagged the splintering of consumer protection agencies as a problem, citing similar cases in New Zealand and Australia, where consumers face confusion over how to get disputes settled with their banks, while competition between various ombudsman organizations undermines the purpose of their function, which is to protect consumers. [\[LINK TO WORLD BANK REPORT\]](#)

Select Media Links:

Postmedia: [Banking ombud's report fires back against critics](#)

Globe and Mail: [Opt-outs undermine dispute resolution: bank ombudsman](#)

Globe and Mail: [Strengthen banking ombudsman, panel urges](#)

Investment Executive: [OBSI future in doubt without industry co-operation](#)

Radio-Canada: [Classe économique](#) (in French, at approximately 9:20)

Toronto Star: [Roseman: TD ranks as number one in OBSI complaints](#)

Advisor.ca: [OBSI details cases...and who's complaining](#)

3) Canada-Wide Commitment to Persons with Disabilities

The Ombudsman for Banking Services and Investments (OBSI) is committed to excellence in dispute resolution. As part of that commitment, we strive to provide our services in a way that respects the dignity and independence of persons with disabilities.

OBSI has long made the accessibility of our service paramount: for instance, our offices are wheelchair-accessible, our clients can contact us via TTY, and we utilize accessible graphic design in our public-facing materials.

The provincial Accessibility for Ontarians with Disabilities Act ("AODA") aims to achieve a better Ontario for persons with disabilities by improving the identification, removal and prevention of barriers to access. OBSI's commitment to Canadians is that we will apply the standard required by AODA not just in Ontario but across all of Canada.

While the legislation has applied to the public sector since 2010, non-governmental organizations such as OBSI are required to comply with staggered implementation dates that began this year.

As of January 1, 2012 OBSI is compliant with the Customer Service Standard, which requires us to develop policies and practices relating to the delivery of goods and services to persons with disabilities, complemented by appropriate training. We have also implemented sections of the Integrated Standard related to emergency response procedures. Our [Accessible Customer Service Plan](#) provides more detail about our commitment.

Questions about OBSI's Accessible Customer Service Plan?

Email: ombudsman@obsi.ca

Phone: 1-888-451-4519

Fax: 1-888-422-2865

TTY : 1-855-TTY-OBSI (889-6274)

The law requires compliance in the areas of customer service, employment, physical access, and communications. More information about the legislative requirements can be found on the [Ontario Ministry of Community and Social Services website](#).

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