



Financial Consumer
Agency of Canada

Agence de la consommation
en matière financière du Canada



2021-2026 STRATEGIC PLAN

LEADERSHIP
AND INNOVATION
IN FINANCIAL
CONSUMER
PROTECTION





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For more information, contact:

Financial Consumer Agency of Canada
427 Laurier Ave. West
Ottawa ON K1R 1B9

www.canada.ca/en/financial-consumer-agency

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MESSAGE FROM THE COMMISSIONER



I am pleased to present the Strategic Plan for the Financial Consumer Agency of Canada (FCAC) for 2021–2026. It is the result of a comprehensive review and describes how we will fulfill our vision to be a leader and innovator in financial consumer protection.

The Agency is well-positioned to fulfill its mandate in today's rapidly evolving environment. However, we must guard against complacency. Recent legislative enhancements, market changes and heightened consumer expectations have raised the bar for our work.

In 2021, FCAC celebrates its 20th anniversary, and we are launching a renewed National Financial Literacy Strategy.

This makes it an exciting and important time for FCAC and its work on behalf of Canadians. It is also a fitting time to reflect and reassess.

We will build on our strong record by focusing on the 4 strategic goals, associated priorities and foundational elements outlined in this plan. Over the next 5 years, these strategic goals will guide our actions and form the cornerstones of the Agency's annual business plans.

I look forward to working with the Agency's talented and dedicated team members to achieve the outcomes we have set for ourselves in this plan. They are ambitious and provide clear direction to help us learn, improve and succeed into the future.

Judith Robertson

ABOUT FCAC

Our raison d'être

The Financial Consumer Agency of Canada (FCAC) was established in 2001 to protect the rights and interests of consumers of financial products and services.

Our mandate

FCAC's mandate is to supervise [federally regulated financial entities](#) and strengthen the financial literacy of Canadians.

As a regulator, FCAC monitors and supervises the compliance of financial institutions, external complaints bodies and payment card network operators with consumer protection measures set out in legislation, public commitments and codes of conduct.

The Agency is also mandated to:

- promote awareness of the rights and responsibilities of Canadians in their dealings with financial institutions
- monitor, evaluate and promote awareness of trends and issues that may affect financial consumers
- develop and publish research, content, tools and programs to strengthen the financial literacy of Canadians
- foster an understanding of financial services and related issues in collaboration with stakeholders, including government, regulatory and community organizations

Quick facts

- FCAC is a federal government agency that derives its mandate from the [Financial Consumer Agency of Canada Act](#)
- FCAC reports annually to Parliament through the Minister of Finance on its activities and the performance of financial entities in complying with consumer protection measures
- FCAC recovers its costs mainly through assessments against the financial entities it supervises¹

¹ These assessments place the burden of paying for financial sector regulation on the financial industry directly. FCAC also receives an annual statutory authority of up to \$5 million to support the financial literacy of Canadians.

PLAN AT-A-GLANCE

FCAC's Strategic Plan for 2021–2026 articulates the foundational elements and long-term strategic goals that will drive the Agency in achieving its vision and mission.

Our vision

To be a leader and innovator in financial consumer protection

Our mission

To protect consumers of financial products and services

To supervise regulated entities

To educate Canadians and strengthen their financial literacy

Key foundational elements

Core principles

Environmental factors and emerging risks

Opportunities

Our strategic goals

1

To be the national leader in financial consumer protection by effectively supervising banks and other regulated entities and contributing to policy development

2

To strengthen the financial literacy of Canadians for an increasingly digital world using educational tools and resources, research, experimentation, stakeholder collaboration and partnerships that foster informed financial behaviours and decision-making

3

To be the authoritative source of Canadian financial consumer information through the development of unbiased and evidence-based financial consumer information

4

To enable the future of work by strengthening the Agency's people management practices and fostering a culture of innovation, collaboration and excellence

OUR CORE PRINCIPLES

FCAC's core principles are intended to foster an organizational culture that prioritizes the well-being of its team members and the achievement of its consumer protection mandate.



One mandate, one team

We are committed to working together across the Agency toward our fundamental purpose of protecting financial consumers.



Diversity, equity, inclusiveness and bilingualism

We are committed to building a diverse workforce that respects Canada's official languages, fostering a strong sense of belonging for our team members, and meeting the evolving needs of Canadians in a rapidly changing, digital world.



Evidence-based and data-driven

We are committed to leveraging the best available evidence, data and expertise to make informed regulatory decisions and deliver effective interventions to protect financial consumers.



Agile

We are committed to continuous improvement by exchanging information and knowledge, learning from the external environment, and responding proactively to emerging issues that affect financial consumers.



Collaborative

We are committed to protecting financial consumers in collaboration with local, national and international stakeholders. We will also strengthen existing partnerships and build new ones to expand our reach and impact.

ENVIRONMENTAL FACTORS AND EMERGING RISKS

FCAC has identified 3 interconnected factors that are significantly changing the environment for financial consumers. Each factor has associated risks for financial consumers that the Agency has considered in developing this strategic plan.



Environmental Factors

Technology and data

Technology and data are reshaping how financial products and services are created, distributed and sold.



Emerging risks to consumer protection

- **Rise of electronic and mobile banking** that disrupts traditional access points and services while offering new, less familiar ones
- **Uneven access to technology** that particularly affects vulnerable populations and threatens to increase the digital divide
- **New and increasing types of fraud and exploitation** that take advantage of consumers' lack of knowledge and fears
- **Higher risk of data and privacy breaches** that threaten consumer information
- **Use of artificial intelligence and algorithms** that can negatively affect access to appropriate products or services (e.g., digital profiling that disadvantages certain groups)
- **Emerging sales channels and practices** that can challenge the ability of regulators to adapt and keep pace with industry innovations

ENVIRONMENTAL FACTORS AND EMERGING RISKS



Environmental Factors

Market changes

The competitive landscape is changing at an accelerated rate due to new entrants, global players and changing business models.



Emerging risks to consumer protection

- **Uneven consumer protections** caused by differences in standards and/or regulations across products and/or providers
- **Misleading offerings and communications** that can result in the misuse of products and services
- **Use of gamification and behavioural designs** that encourage impulsive financial decision-making and access to high-cost, short-term credit
- **Current forms of disclosure and consent** that may not effectively allow consumers to make informed financial decisions
- **Rapid industry changes** that can challenge regulators' ability to respond proactively to emerging issues that affect consumers



ENVIRONMENTAL FACTORS AND EMERGING RISKS



Environmental Factors

Consumer capabilities

Consumers are challenged to keep pace with today's increasingly complex financial marketplace.



Emerging risks to consumer protection

- **Inadequate digital and financial literacy skills** that can prevent consumers from using financial products and services effectively
- **Low financial resilience** that makes consumers vulnerable to financial hardships and exposes them to predatory lending practices
- **Consumer fatigue and indecision** due to the increasing complexity of the marketplace
- **Lack of access to affordable, unbiased and trustworthy advice** to understand the changing financial landscape and gain confidence to make informed financial decisions
- **Changes in how and where information is consumed** that challenge providers of financial education to keep programs targeted and effective

OPPORTUNITIES

FCAC has identified 4 broad opportunities to advance its consumer protection mandate. Each is informed by past experiences, lessons learned and emerging trends and risks.



Learn from the COVID-19 pandemic

- Continue to explore opportunities to better understand and track the impact of the COVID-19 pandemic on the financial situations of Canadians, especially vulnerable populations
- Leverage data on the financial situations of Canadians and their use of banking products and services to inform ongoing and future interventions and programs



Increase FCAC's impact

- Raise awareness of the Agency's mandate to protect financial consumers and its role in supporting the oversight of the financial system in Canada
- Promote FCAC and other authoritative sources of unbiased and evidence-based tools, resources, programs and information for financial consumers



Embrace digital transformation

- Leverage digital technologies to enhance workforce productivity and better position the Agency to respond to the changing environment for financial products and services
- Support Canadians with tools and resources to make appropriate financial decisions in an increasingly digital and complex financial sector, with a particular focus on the needs of vulnerable groups affected by the digital divide



Enhance regulatory cooperation

- Seek opportunities to enhance cooperation with federal, provincial and international authorities to protect financial consumers and contribute to the oversight of Canada's financial system
- Consult and collaborate with regulatory partners and other stakeholders to identify and address potential areas of uneven consumer protection as the market evolves



GOAL 1

BE THE NATIONAL LEADER IN FINANCIAL CONSUMER PROTECTION

Building on a strong foundation, FCAC will provide national leadership in protecting consumers of financial products and services. It will do this by proactively and transparently supervising federally regulated financial entities, monitoring and taking corresponding action on market conduct issues, and contributing to effective policy development.

Outcomes we want to achieve for 2021–2026

- FCAC's capacity to use data, assess the likelihood that non-compliance may occur, and identify important market conduct issues and their potential impact on financial consumers is strengthened
- FCAC's ability to allocate resources and deploy targeted interventions to priority areas is enhanced
- FCAC provides effective support and guidance to promote the compliance of regulated entities with their market conduct obligations
- FCAC contributes expert insights to inform policy development

Priorities

1.1 - Strengthen FCAC's risk-based, outcome-driven supervisory program

FCAC will continue to strengthen its supervisory program to enable the prevention and early detection of compliance risks and the timely response to important market conduct issues. The Agency will prioritize the risks and issues that pose the greatest potential harm to consumers.

1.2 - Implement the Financial Consumer Protection Framework

FCAC will support the implementation of legislative amendments to the *Bank Act* that further advance the rights and interests of consumers in dealing with banks. The Agency will work closely with the banking industry to communicate its expectations related to new or enhanced consumer provisions as they come into force.

1.3 - Provide expertise to contribute to policy development

FCAC will leverage its experience and expertise in identifying, assessing, and acting on emerging risks and opportunities in the financial landscape to inform effective policy approaches.



GOAL 2

STRENGTHEN THE FINANCIAL LITERACY OF CANADIANS FOR AN INCREASINGLY DIGITAL WORLD

FCAC's efforts to strengthen the financial literacy of Canadians will reflect the growing complexity and digital nature of today's financial marketplace. The Agency will create a framework to identify desired changes in the financial literacy ecosystem to help Canadians build their skills, capacity and behaviours to achieve better financial outcomes.

Outcomes we want to achieve for 2021–2026

- FCAC supports the evolution of the financial ecosystem to reduce barriers and catalyze action to foster positive financial outcomes for Canadians
- FCAC provides and supports innovative and effective resources and programs to improve the financial resilience of Canadians
- FCAC provides national leadership in connecting, convening and collaborating with stakeholders to advance research and best practices in financial literacy and education

Priorities

2.1 - Renew the National Financial Literacy Strategy

FCAC will implement a renewed strategy in collaboration with stakeholders, partners and researchers. The strategy will focus on helping Canadians build the financial resilience to thrive in an increasingly digital world.

2.2 - Provide innovative tools and resources for better financial decision-making

FCAC will continue to develop timely, accessible and unbiased educational content and tools. This work will be achieved through data-driven approaches and experimentation. It will also reflect and address legislative and regulatory changes, emerging trends, consumer feedback and information gaps.

2.3 - Engage constructively with stakeholders and foster strategic partnerships

FCAC will take a leading role in mobilizing and connecting organizations at the local, national and international levels to improve outcomes for financial consumers. Together with its outreach activities, this work will extend FCAC's reach and enable it to support more effectively financial consumers and engage with communities.



GOAL 3

BE THE AUTHORITATIVE SOURCE OF CANADIAN FINANCIAL CONSUMER INFORMATION

FCAC will undertake initiatives to enhance its role and reputation as an authoritative source of information for financial consumers. The Agency will achieve this through evidence-based research and by launching creative marketing strategies to promote effective tools and resources developed by FCAC and others, focusing on key initiatives such as Financial Literacy Month. Strategic partnerships and stakeholder collaboration will play an important role in these activities.

Outcomes we want to achieve for 2021–2026

- FCAC's role as an unbiased and authoritative source of information for financial consumers is enhanced
- FCAC's ability to respond to the concerns of financial consumers and better understand and address gaps in their financial knowledge is strengthened
- Financial consumers benefit from better tools and interventions in areas such as debt management, budgeting, and savings
- Financial Literacy Month's momentum continues to build through strong support and broad awareness

Priorities

3.1 - Leverage research to increase evidence-based decision-making

FCAC will leverage insights from data and behavioural science to develop tools and interventions, with a specific focus on vulnerable populations. This work will acknowledge and reflect systemic and structural barriers that can prevent Canadians from accessing financial services that meet their needs.

3.2 - Raise awareness of FCAC resources and promote financial literacy tools and programs

FCAC will enhance its digital presence and carry out a multi-year communications and marketing strategy to promote financial literacy tools and resources in collaboration with other federal government organizations, stakeholders, and strategic partners.



GOAL 4

ENABLE THE FUTURE OF WORK

FCAC will enable a culture of innovation, collaboration and excellence in the workplace by strengthening its people management practices, modernizing its internal processes and leveraging new technologies. This will include maintaining a healthy and respectful work environment for team members and providing them with the resources and flexibility to deliver on FCAC's mandate in a rapidly evolving environment.

Outcomes we want to achieve for 2021–2026

- Employees embrace FCAC's core principles and work as one team towards our mandate of protecting financial consumers
- FCAC attracts, develops, and retains a highly skilled and diverse workforce that benefits from a healthy, respectful, and enabling workplace
- Internal processes, workplace systems, and data and analytics solutions are effective at supporting current and future operational needs

Priorities

4.1 - Strengthen and support the workforce

FCAC will continue to strengthen its human resources programs and initiatives to attract and maintain the talent it needs to achieve its vision and fulfill its legislative obligations. This will include a focus on equity, diversity, inclusiveness and bilingualism.

4.2 - Modernize the workplace

FCAC will modernize its workplace to enable a high-performing workforce that embraces new ways of working. The Agency will retool and update its Ottawa and Toronto offices to foster employee productivity and enhance its support of flexible work arrangements, including remote working. In addition, FCAC will improve its business processes by leveraging data and the best available technologies.

4.3 - Improve enabling processes

FCAC will review its internal functions to optimize performance, meet best-practice standards and achieve continuous improvement.