



Financial Consumer  
Agency of Canada

Agence de la consommation  
en matière financière du Canada

# 2019–20 Business Plan<sup>1</sup>

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**Lucie M.A. Tedesco**  
Commissioner

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<sup>1</sup>The Financial Consumer Agency of Canada (FCAC) prepared this business plan in accordance with Treasury Board Secretariat requirements for departmental plans for Government of Canada departments and agencies. FCAC is not an appropriated organization under the *Financial Administration Act*. It receives its funding through assessments of the industries it regulates and through a statutory expenditure from the Government of Canada.

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## Commissioner's message

I am pleased to present to Canadians the 2019–20 Business Plan for the Financial Consumer Agency of Canada (FCAC)—my fifth as Commissioner.

Since becoming Commissioner, it has been my privilege to lead and guide FCAC in enhancing financial consumer protection in Canada and ensuring our organization is agile and resilient so it can face future challenges successfully.

We have accomplished a great deal, and are entering an exciting period in our history. Demand for our expertise is greater than ever. Moreover, our role in protecting financial consumers is expanding, creating new opportunities to deliver results for Canadians.

This year, our strategic focus will be on integrating change, bolstering the organization and delivering for Canadians. An important priority will be supporting the implementation of new legislation that creates a stronger federal Financial Consumer Protection Framework. Among a number of key changes, the legislation also strengthens our organization's mandate to promote, monitor and enforce the compliance of federally regulated financial entities. These changes reflect the hard work the Agency has done over the past three years to inform the Government's policy process. They likewise demonstrate the Government's confidence in our role as a regulator and our capacity to protect and empower financial consumers.

The new legislation also strengthens FCAC's financial literacy role by better integrating it into our mandated purpose. In the coming months, we will continue to engage with stakeholders to strengthen Canadians' financial knowledge, skills and confidence. We will also conduct a strategic review of our financial literacy program to ensure its success into the future.

As the agency grows and matures, we have made a strong commitment to adapt and enhance our programs to meet current and future needs. My goal is to ensure we have a workplace and the tools to enable our employees to contribute their very best.

More than ever, today's financial landscape is challenging due to innovations that can both benefit and harm consumers. Therefore, FCAC must continue to use its unique position—and its expertise and leadership in the financial sector—to identify, assess, report and act on developments of interest to consumers. We will do this, for example, through our continued participation in both national and international fora and by working closely with partners and stakeholders to produce leading-edge research. This includes the Canadian Financial Capability Survey, which we will sponsor again this year.

I am immensely proud of the ardour and efforts our FCAC team invests in our over-riding purpose, which is to protect financial consumers. The Agency is now set to move forward with the next stage of its evolution as a regulator. I feel fortunate to be leading a team of such dedicated professionals who make a real difference on issues that touch the lives of all Canadians.

Lucie M.A. Tedesco  
Commissioner

## Plans at a glance and operational context

The Financial Consumer Agency of Canada's (FCAC's) 2019–20 Business Plan reflects the opportunities available to the organization to deliver results for Canadians in what promises to be an important year in its history. To help realize these opportunities, the plan is based on the three areas of strategic focus (shown below) and on the values and behaviours that guide our work as public servants.



Strategic Focus 1: Integrate Change	
Strategic objective	<b>Strengthen FCAC's role as a trusted regulator to protect financial consumers and empower them to protect themselves.</b>
Priorities for 2019–20	<ul style="list-style-type: none"><li>▪ Implement the new Financial Consumer Protection Framework (FCPF) and the amendments to the <i>FCAC Act</i> following the passage of <i>Budget Implementation Act, 2018, No. 2</i>.</li><li>▪ Continue to implement the supervision framework in support of more robust, proactive, and transparent oversight.</li><li>▪ Conduct a strategic review of the Financial Literacy program to ensure it delivers positive outcomes for Canadians.</li></ul>

## Strategic Focus 2: Bolster the Organization

Strategic objective	<b>Strengthen FCAC's instrumental capacity to deliver its mandate in a way that keeps pace with a rapidly evolving financial sector.</b>
Priorities for 2019–20	<ul style="list-style-type: none"> <li>▪ Increase bench strength and diversify organizational skills to respond to FCPF and sector innovations.</li> <li>▪ Bolster policy and research functions to become the authoritative voice on all matters related to the protection of financial consumers.</li> <li>▪ Continue to implement a people management strategy that supports strategic hiring, encourages employee growth and develops strong leadership.</li> <li>▪ Develop and implement a change management strategy to support the organization through this transformative period of growth and adjustment and beyond.</li> <li>▪ Modernize the workplace, processes and systems to increase the organization's effectiveness in delivering its mandate and to support current and future organizational needs.</li> </ul>

## Strategic Focus 3: Deliver for Canadians

Strategic objective	<b>Deliver value and results for Canadians.</b>
Priorities for 2019–20	<ul style="list-style-type: none"> <li>▪ Measure the impact of the Financial Literacy program through a summative evaluation.</li> <li>▪ Monitor consumer behaviour by fielding the Canadian Financial Capability Survey and the Rights and Responsibilities Survey, and by analyzing results data from the Programme for International Student Assessment.</li> <li>▪ Conduct and complete an industry review on banks' complaints handling processes.</li> <li>▪ Conduct and complete a review of the accessibility, timeliness and effectiveness of external complaints bodies.</li> <li>▪ Deliver a code of conduct to guide banks in their delivery of services to Canada's senior population.</li> </ul>

## Operating context: Conditions and developments affecting our work

### External conditions

**Financial consumer protection landscape:** In fall 2018, the Government of Canada introduced, through the *Budget Implementation Act, 2018, No. 2*, legislation to modernize Canada's Financial Consumer Protection Framework (FCPF) and to strengthen FCAC's mandate and grant it additional powers.<sup>1</sup> As part of the process to implement these legislative changes, FCAC will consult and work closely with stakeholders who are affected by them. It will also adjust its supervisory approach to ensure it aligns with the new framework.

**Government priorities:** In its 2018 Fall Economic Statement, the Government announced that a review of banks' complaints handling processes, as well as a review of the effectiveness of external complaints bodies would be conducted by FCAC. It also announced that FCAC would engage with banks and seniors' groups to create a code of conduct to guide banks in their delivery of services to Canada's senior population. The deadline for delivering on both priorities is June 30, 2019.

**Trends and emerging issues:** Today's financial marketplace is increasingly complex and ever-changing. Emerging technologies have spurred innovation, and the number of financial products and services is growing exponentially. These developments are making it difficult for consumers to choose the products that best meet their needs without exceeding them. This challenge is particularly relevant in an economy where credit has never been as accessible—and borrowing opportunities as plentiful—as they are today.

FCAC plays a key role in informing consumers about financial matters and the issues related to them by identifying and acting on trends of concern. It achieves this through research and evidence-based analysis of data. As such, FCAC will continue to empower consumers by arming them with key information and user-friendly tools to help them make informed decisions.

**Stakeholder engagement:** FCAC benefits from the positive and productive engagement of its many stakeholders, including financial entities, provincial, territorial and international regulators, industry associations and consumer groups. The expansion of its powers provides an important opportunity for it to further strengthen this engagement to the benefit of financial consumers.

### Internal conditions

**Human resources:** FCAC's ability to succeed amid the significant changes ahead require it to build further bench strength and diversify the skills and competencies of its workforce. As such, FCAC is establishing a comprehensive framework to onboard new employees, mobilize the diversity of its talent, recruit new skill sets and foster an environment where all employees can contribute their very best.

**Workplace:** To accommodate its growing workforce and secure increased efficiencies, FCAC will be required to expand and modernize its physical footprint. Therefore, it is putting a number of plans in place to encourage greater collaboration, promote smarter use of technology, optimize the efficient use of facilities and minimize waste.

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<sup>1</sup> The legislation, which received Royal Assent on December 13, 2018, will come into force after regulations are developed and published.

## Key risks: Factors that could impede our ability to realize our plans and achieve results

FCAC regularly identifies, assesses and manages risks that could affect its ability to achieve its mandate and deliver results for Canadians. These risks are considered in the Agency's business planning and decision-making. The table below provides an overview of three key corporate risks the Agency has identified for the next fiscal year. Each risk is accompanied by a risk response that is meant to mitigate its impact.

Risk	Risk response strategy	Link to the Agency's core responsibilities	Link to Commissioner's mandate letter commitments or to government-wide and departmental priorities
Inability to keep pace with a rapidly evolving financial sector	<ul style="list-style-type: none"> <li>Bolster policy and research functions in support of the mandate and policy development.</li> <li>Undertake a strategic review of the financial literacy program to ensure it delivers positive outcomes for Canadians.</li> </ul>	Supervision of federally regulated financial entities  Financial literacy	Ensure FCAC continues to identify, assess, report and act on emerging issues of concern.  Strengthen FCAC's role as a trusted regulator to protect financial consumers and empower them to protect themselves.  Strengthen FCAC's instrumental capacity to deliver its mandate in a way that keeps pace with a rapidly evolving financial sector.
Inability to meet current and future operational needs and to deliver on the mandate due to inadequate business processes and systems	<ul style="list-style-type: none"> <li>Modernize the workplace, processes and systems to increase effectiveness in delivering the mandate and to support current and future organizational needs.</li> </ul>	Supervision of federally regulated financial entities  Financial literacy  Internal services	Strengthen FCAC's instrumental capacity to deliver its mandate in a way that keeps pace with a rapidly evolving financial sector.
Inability to recruit, develop or retain the specialized, skilled resources needed to deliver on the mandate and keep pace with innovations in the financial sector	<ul style="list-style-type: none"> <li>Increase bench strength and diversify organizational skill sets to respond to FCPF and sector innovations.</li> <li>Continue to implement a people management strategy that supports strategic hiring, encourages employee growth and develops strong leadership.</li> <li>Develop and implement a change management strategy to support the organization through this transformative period of growth and adjustment, and beyond.</li> <li>Modernize the workplace, processes and systems to increase effectiveness in delivering the mandate and to support current and future organizational needs.</li> </ul>	Supervision of federally regulated financial entities  Financial literacy  Internal services	Strengthen FCAC's instrumental capacity to deliver its mandate in a way that keeps pace with a rapidly evolving financial sector.



## Planned results: What we want to achieve this year and beyond

FCAC plans its activities in accordance with the core responsibilities outlined in its Departmental Results Framework: supervision of federally regulated financial entities, and financial literacy.

### Core responsibilities

#### Supervision of federally regulated financial entities

##### *Description*

FCAC regulates Canada's federal financial institutions, such as banks, trust and loan companies, federal credit unions, external complaint bodies and payment card network operators to ensure consumers' rights are protected. The Agency focuses on ensuring Canadians are aware of their rights and responsibilities when dealing with financial institutions. As a regulator, the Agency oversees financial consumer protections grounded in legislation, regulations, voluntary codes of conduct and public commitments. It uses a risk-based, supervisory model to enforce compliance with consumer protection laws. The information the Agency relies on to carry out its compliance activities includes consumer complaints reports, on-site examinations, compliance reviews, research findings on emerging marketplace trends and issues, and input from national and international regulatory counterparts.

##### *Planning highlights*

In addition to its ongoing work, FCAC will deliver four principal supervision initiatives in fiscal year 2019–20:

- implement the Government's new FCPF
- review banks' complaints handling procedures as well as the accessibility, timeliness and effectiveness of external complaints bodies
- create a code of conduct to guide banks in their delivery of services to Canada's senior population
- continue implementing FCAC's new supervision framework

### Implementing the new Financial Consumer Protection Framework

Legislative amendments introduced as part of *Budget Implementation Act, 2018, No. 2* create a modernized Financial Consumer Protection Framework (FCPF) and provide FCAC with additional powers. They also largely address the findings of FCAC's 2018 *Domestic Bank Retail Sales Practices Review*, particularly in the areas of bank governance, controls, and policies and procedures designed to protect consumers. Under the amendments introduced:

- a. **Banks will be required to implement new internal business processes and enhance existing ones to increase positive outcomes for consumers.** This includes, for example, new measures requiring banks to adopt policies and procedures that ensure that:
  - product and service offerings are appropriate for, and consider the circumstances and needs of, consumers
  - employees who blow the whistle on wrongdoing are protected
  - a committee of the board of directors is designated to oversee their organization's obligations to consumers

- b. **FCAC will possess additional powers, duties, functions and tools.** This includes allowing the Commissioner to direct banks to refund any charges incorrectly collected from consumers and to impose administrative monetary penalties of up to \$10,000,000 per violation. In addition, the publication of an offending bank's name will now be mandatory.
- c. **Consumers will be further empowered and better protected.** This includes prohibiting banks from communicating false or misleading information, applying undue pressure, or taking advantage of financial consumers. The FCPF will also require banks to send various electronic alerts regarding account balances and credit use and to strengthen their complaints handling and reporting practices.

To promote FCPF and assist with its implementation, FCAC will engage and consult (where appropriate) with stakeholders, including banks, consumers and consumer groups.

### **Reviewing complaints handling procedures**

In the 2018 Fall Economic Statement, the Minister of Finance announced that FCAC would conduct a review of banks' complaints handling procedures and of external complaints bodies' operations to determine their accessibility, timeliness and effectiveness. In delivering on this project, the Agency will survey international research, including reviewing case studies and best practices, consulting with stakeholders, conducting on-site interviews, and identifying potential areas for improvement.

### **Creating a banking code of conduct for seniors**

Also in the 2018 Fall Economic Statement, the Minister of Finance announced that FCAC would engage with banks and seniors' groups to create a code of conduct that would guide banks in their delivery of services to Canada's seniors.

FCAC has engaged with Canada's Minister of Seniors as well as seniors' groups and financial institutions to identify the banking issues and challenges faced by Canada's aging population. The Agency will undertake further research, including a public opinion survey, to inform the creation of a code of conduct. Once the code is in effect, FCAC will oversee its compliance. The Agency will also develop information for consumers and disseminate it through various platforms to raise awareness of the code's existence.

### **Implementing a supervision framework**

The Agency will continue to implement its new supervision framework in fiscal 2019–20, and continue to build its capacity to discharge its oversight and enforcement responsibilities. It will give increased focus to proactively identifying emerging risks before they affect consumers and to communicating with financial entities to help them achieve and maintain compliance.

To effectively implement and operationalize the above projects and respond to the changes ahead, FCAC will increase its supervision staffing complement by 19 full-time equivalent employees by the end of fiscal year 2021–22.

### Budgetary financial resources (in millions of dollars)

2018–19 Forecast spending	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
5.56	8.80	9.72	9.93

### Human resources (full-time equivalents)

2018–19 Forecast full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
41	57	61	60

Information on FCAC's program inventory is available in the [TBS InfoBase](#).

### Planned results

Departmental results	Departmental result indicators	Target	Date to achieve target	2015–16 Actual results	2016–17 Actual results	2017–18 Actual results
Federally regulated financial entities are compliant with consumer protection legislation, their public commitments and codes of conduct.	Percentage of financial institutions that are aware of the reason for, and nature and outcome of, the Financial Consumer Agency of Canada's supervision activities.	80%	2020-03-31	NA <sup>i</sup>	73%	78%
	Percentage of cases of non- compliance where corrective actions (commensurate with the level of non-compliance) are undertaken by the Financial Consumer Agency of Canada.	100%	2020-03-31	NA <sup>ii</sup>	100%	100%
Canadian consumers are aware of their rights and responsibilities when dealing with financial institutions.	Percentage of consumers who are aware of their rights and responsibilities.	5% increase	2020-03-31	NA <sup>iii</sup>	58%	NA
	Number of Canadians reached through consumer rights and responsibilities information.	5% increase <sup>iv</sup>	2020-03-31	NA	NA	NA

<sup>i</sup> The indicator was first used for 2016–17.

<sup>ii</sup> New methodology was introduced after 2015–16.

<sup>iii</sup> Originally based on a survey conducted every five years. A smaller survey will be fielded annually.

<sup>iv</sup> The updated methodology for this indicator is being benchmarked in 2018–19.

## Financial literacy

### *Description*

FCAC is committed to strengthening the financial knowledge, skills and confidence of Canadians. The Agency provides online content, tools and programs that help educate Canadians so they can make informed financial decisions. The Agency also promotes awareness of all matters related to protecting consumers of financial products and services. Through nationwide coordination and collaboration efforts with stakeholders, including federal and provincial governments, and private and non-profit organizations, the Agency fosters consumer understanding of financial services and related issues, and encourages stakeholders to promote and deliver financial literacy initiatives.

### *Planning highlights*

FCAC will conduct a strategic review of the financial literacy program, including the National Strategy for Financial Literacy and its National Research Plan. This review will be informed by a summative evaluation. FCAC will also assess progress and remaining gaps, and evaluate the business needs to achieve its mandate and strategic objectives.

The Agency will continue to promote the delivery of financial literacy in the workplace, and will strengthen the financial literacy of Indigenous Peoples by delivering a pilot project in partnership with Seven Generations Education Institute and Martin Family Initiative.

It will also pursue its work with stakeholders to strengthen Canadians' financial literacy. This will include issuing bulletins and newsletters and promoting financial literacy initiatives and resources through its Canadian Financial Literacy Resource Database, social media and campaigns, and Financial Literacy Month.

As well, FCAC will continue to develop and enhance its educational materials aimed at strengthening the financial well-being of Canadians. For example, the Agency will deliver an upgraded version of its budget calculator tool, with enhancements drawn from behavioural economics.

The Agency will conduct research on matters related to financial consumer protection to support government policy development.

FCAC will also continue to conduct surveys and undertake behavioural research. In this regard, it will begin analyzing the financial literacy portion of the Organisation for Economic Co-operation and Development's Programme for International Student Assessment of 15-year-old Canadians, and will re-field Canada's national adult financial literacy survey, the Canadian Financial Capability Survey.

In addition, FCAC, through its behavioural research efforts, will continue to experiment with ways to promote behavioural change through interventions on mobile applications and other technologies. It will also continue to research the impacts of those interventions on financial behaviours.

**Budgetary financial resources (in millions of dollars)**

2018–19 Forecast spending	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
6.42	6.50	6.46	6.49

**Human resources (full-time equivalents)**

2018–19 Forecast full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
32	36	36	36

Information on FCAC's program inventory is available in the [TBS InfoBase](#).

**Planned results**

Departmental results	Departmental result indicators	Target	Date to achieve target	2015–16 Actual results	2016–17 Actual results	2017–18 Actual results
Canadians are strengthening their financial knowledge, skills and confidence.	Percentage of Canadians who strengthen their financial knowledge.	5% increase	2020-03-31	NA <sup>i</sup>	NA <sup>i</sup>	NA <sup>i</sup>
	Percentage of Canadians who strengthen their financial confidence.	5% increase	2020-03-31	NA <sup>i</sup>	NA <sup>i</sup>	NA <sup>i</sup>
	Percentage of Canadians who adopt desired financial behaviours.	5% increase	2020-03-31	NA <sup>i</sup>	NA <sup>i</sup>	NA <sup>i</sup>
	Percentage of non-budgeters who are confident in their ability to make and follow a budget.	5% increase	2020-03-31	NA <sup>ii</sup>	16%	17%
	Percentage of non-budgeters who begin budgeting.	5% increase	2020-03-31	NA <sup>ii</sup>	14%	23%
	Number of Canadians reached through initiatives supporting the National Strategy for Financial Literacy.	See note iv	2020-03-31	NA <sup>iii</sup>	NA <sup>iii</sup>	NA <sup>iii</sup>

<sup>i</sup> Based on the Canadian Financial Capability Survey conducted every five years.

<sup>ii</sup> The indicator was first used for 2016–17.

<sup>iii</sup> New methodology was introduced after 2017-18.

<sup>iv</sup> The updated methodology for this indicator is being benchmarked in 2018–19; therefore, targets have not been set yet.

## Internal Services

### Description

The Financial Consumer Agency of Canada's core responsibilities are sustained and enhanced by a solid foundation of sound financial management and by expert advice and services from its communications, legal, human resources, information management, information technology, finance, and administration teams. Working from this foundation, FCAC's diverse and high-performing workforce is able to deliver on the Agency's priorities.

### Planning highlights

The implementation of the new FCPF requires a significant contribution from marketing and communications and information technology services. The Agency's case management system will also require modification, and possibly replacement, to support the new legislation, to enhance risk-based supervision activities and to allow banks to report their complaints. Communications with financial entities and other stakeholders will be required throughout the implementation of the new legislation. Additional staffing support to process access to information requests has been incorporated into the Agency's plans. Finally, there will be an increase in temporary resources for project management and other services in support of this initiative.

The Agency's lease for its office premises expires in September 2019, and FCAC is expecting to expand its footprint. This will increase costs related to facilities and accommodation. Also, a modernization project to fully adopt Government of Canada (GC) Workplace standards and to support the growth in staffing has been initiated in collaboration with Public Services and Procurement Canada (PSPC). A renewal of the workplace will be undertaken. This will allow for greater collaboration among employees; mobility through the renewal of technology and information management; and the efficient use and security of the office space. Temporary resources in support of these initiatives will be needed for the duration of the three-year plan.

The Agency will complete its repatriation of human resources and finance functions, which were historically outsourced to other government departments, in order to gain operational efficiencies and reduce costs. The development of people management, internal communications and change management strategies will enable FCAC to hire strategically, support employee growth, and strengthen leadership capabilities across the organization.

### Budgetary financial resources (in millions of dollars)

2018–19 Forecast spending	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
15.80	23.11	22.72	23.69

### Human resources (full-time equivalents)

2018–19 Planned full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
68	101	104	105

## Human resources and spending

Spending in 2018–19 and subsequent years has been and will be driven primarily by the growth in resources as the Agency responds to legislative developments and changes in its powers and grows the internal services that support its core responsibilities.

### Planned human resources

#### Human resources for core responsibilities and Internal Services (full-time equivalents)

	2016–17 Full-time equivalents	2017–18 Full-time equivalents	2018–19 Forecast full-time equivalents	2019–20 Planned full-time equivalents	2020–21 Planned full-time equivalents	2021–22 Planned full-time equivalents
Supervision of federally regulated financial entities	17	25	41	57	61	60
Financial Literacy	25	24	32	36	36	36
<b>Subtotal</b>	<b>42</b>	<b>49</b>	<b>73</b>	<b>93</b>	<b>97</b>	<b>96</b>
Internal Services	47	56	68	101	104	105
<b>Total</b>	<b>89</b>	<b>105</b>	<b>141</b>	<b>194</b>	<b>201</b>	<b>201</b>

*Note: The full-time equivalent figures presented above are for approved indeterminate positions at the Agency and do not include any casual, part-time, student or term employees of less than one year..*

Resources increased in 2018–19 due to the creation of a new Enforcement Division and the addition of personnel to enhance the Agency’s ability to monitor trends and emerging issues. The Agency also added new positions in Corporate Services to create an in-house capacity for human resources and finance functions, allowing the Agency to operate more efficiently and reduce costs.

Resources will further increase in 2019–20 to support the implementation of the new FCPF, a new supervision framework, and a more comprehensive approach to supervision and enforcement. The planned resources will also enhance the Agency’s support of governmental policy development. Slight increases in the consumer education team will also be required to support the development and maintenance of consumer education material. Components of internal services will also see increases in support of the FCPF.

The Agency’s evolution has triggered the need for increased project management services, enhanced internal communications, and the modernization of workplace processes and systems. The Agency will also complete the repatriation of human resources and finance functions that were traditionally outsourced to other government departments.

## Planned spending

### Budgetary planning summary for core responsibilities and Internal Services (millions of dollars)

	2016–17 Actual expenses	2017–18 Actual spending	2018–19 Forecast spending	2019–20 Planned spending	2020–21 Planned spending	2021–22 Planned spending
Supervision of federally regulated financial entities	2.56	4.01	5.56	8.80	9.72	9.93
Financial Literacy	4.53	5.74	6.42	6.50	6.46	6.49
<b>Subtotal</b>	<b>7.09</b>	<b>9.75</b>	<b>11.98</b>	<b>15.30</b>	<b>16.18</b>	<b>16.42</b>
Internal Services	10.46	11.67	15.80	23.11	22.72	23.69
<b>Total</b>	<b>17.55</b>	<b>21.42</b>	<b>27.78</b>	<b>38.41</b>	<b>38.90</b>	<b>40.11</b>
<b>Capital purchases related to the office modernization project</b>	–	–	–	<b>0.79</b>	<b>3.57</b>	<b>3.72</b>

*Notes:*

- Actuals for 2016–17 have been restated for comparative purposes as a result of the retrospective adoption of Canadian Public Sector Accounting Standards effective April 1, 2017.

- Expenses are presented on an accrual basis.

Spending growth in 2018–19 and subsequent years has been and will be driven primarily by growth in supervision and internal services.

Increases in temporary staffing and professional services will also support the implementation of the new legislation as well as the modernization of the Agency's workplace and business systems and processes. Measurement activities to evaluate the Agency's impact on financial consumers, such as the Stakeholder Survey and the Financial Literacy Program Summative Evaluation, will also drive increases in professional services in the coming year.

The capital purchases presented result from the modernization project for the Agency's office premises. In conjunction with PSPC, the Agency will acquire office space on a leased basis for the medium term. The modernized office will support greater collaboration among employees, allow for mobility through the renewal of technology, and ensure efficient use of office space as the Agency grows.

## Future-oriented condensed statement of operations

The future-oriented condensed statement of operations provides a general overview of FCAC's operations. The forecast of financial information on expenses and revenues is prepared on an accrual accounting basis to strengthen accountability and to improve transparency and financial management.

A more detailed, future-oriented statement of operations and associated notes, including a reconciliation of the net cost of operations to the requested authorities, is available on the FCAC website.



**Future-oriented condensed statement of operations for the year ended March 31, 2019 (dollars)**

	<b>2018–19 Forecast results</b>	<b>2019–20 Planned results</b>	<b>Difference (2019–20 planned results minus 2018–19 forecast results)</b>
Total expenses	27,780,114	38,412,747	10,632,633
Total revenues	27,780,114	38,412,747	10,632,633
Net cost of operations before government funding and transfers	0	0	0

## Additional information

### Corporate information

#### ***Organizational profile***

**Commissioner:** Lucie M.A. Tedesco

**Ministerial portfolio:** Finance

**Enabling instrument(s):** FCAC derives its mandate from the [Financial Consumer Agency of Canada Act](#). The Act outlines FCAC's functions, administration and enforcement powers, and lists the provisions of federal laws and regulations under its supervision.

**Year of incorporation/commencement:** 2001

#### ***Raison d'être, mandate and roles: who we are and what we do***

##### **Raison d'être**

The FCAC was established in 2001 to protect consumers by supervising federally regulated financial entities and by strengthening the financial literacy of Canadians.

##### **Mandate and roles**

FCAC's mandate is set out in the *Financial Consumer Agency of Canada Act*. As a regulator, FCAC protects consumers by monitoring and supervising financial institutions to ensure they comply with the market conduct obligations that apply to them under federal legislation and regulations.

FCAC also monitors and evaluates trends and issues that may impact financial consumers, educates Canadians about their rights and responsibilities when dealing with financial institutions, and collaborates with stakeholders to contribute to and support initiatives that strengthen the financial literacy of Canadians.

## Reporting framework

The FCAC's Departmental Results Framework and Program Inventory of record for 2018–19 are shown below:

Departmental Results Framework	Core Responsibility #1: Supervision of federally regulated financial entities		Core Responsibility #2: Financial Literacy	
	<p>Departmental Result: Federally regulated financial entities are compliant with consumer protection legislation, their public commitments and codes of conduct</p> <p>Indicator: Percentage of financial institutions that are aware of the reason for and nature and outcome of the Financial Consumer Agency of Canada's supervision activities</p> <p>Indicator: Percentage of cases of non-compliance where corrective actions (commensurate with the level of non-compliance) are undertaken by the Financial Consumer Agency of Canada</p> <p>Departmental Result: Canadian consumers are aware of their rights and responsibilities when dealing with financial institutions</p> <p>Indicator: Percentage of consumers who are aware of their consumer protection rights and responsibilities</p> <p>Indicator: Number of Canadians reached through consumer rights and responsibilities information</p>		<p>Departmental Result: Canadians are strengthening their financial knowledge, skills and confidence</p> <p>Indicator: Percentage of Canadians who strengthen their financial knowledge</p> <p>Indicator: Percentage of Canadians who strengthen their financial confidence</p> <p>Indicator: Percentage of Canadians who adopt desired financial behaviours</p> <p>Indicator: Percentage of non-budgeters who are confident in their ability to make and follow a budget</p> <p>Indicator: Percentage of non-budgeters who begin budgeting</p> <p>Indicator: Number of Canadians reached through initiatives supporting the National Strategy for Financial Literacy</p>	
Program Inventory	Program: Supervision and Promotion		Program: Financial Literacy	

## Concordance table

Structure	2019-20	2018-19	Change	Rationale for change
CORE RESPONSIBILITY	Supervision of federally regulated financial entities	Supervision of federally regulated financial entities	No change	Not applicable
PROGRAM	Supervision and Promotion	Supervision and Promotion	No change	Not applicable
CORE RESPONSIBILITY	Financial Literacy	Financial Literacy	No change	Not applicable
PROGRAM	Financial Literacy	Financial Literacy	No change	Not applicable

## Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures. This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

## Organizational contact information

Financial Consumer Agency of Canada  
427 Laurier Ave. West  
Ottawa ON K1R 1B9  
[www.canada.ca/en/financial-consumer-agency](http://www.canada.ca/en/financial-consumer-agency)

Telephone: 1-866-461-FCAC (3222)  
Fax: 1-866-814-2224 / 613-941-1436

## Appendix: Definitions

### **core responsibility (responsabilité essentielle)**

An enduring function or role performed by a department. The intentions of the department with respect to a core responsibility are reflected in one or more related departmental results that the department seeks to contribute to or influence.

### **departmental plan (Plan ministériel)**

Provides information on the plans and expected performance of appropriated departments over a three-year period. Departmental plans are tabled in Parliament each spring.

### **departmental result (résultat ministériel)**

A departmental result represents the change or changes that the department seeks to influence. It is often outside departments' immediate control, but it should be influenced by program-level outcomes.

### **departmental result indicator (indicateur de résultat ministériel)**

A factor or variable that provides a valid and reliable means to measure or describe progress on a departmental result.

### **Departmental Results Framework (cadre ministériel des résultats)**

Consists of the department's core responsibilities, departmental results and departmental result indicators.

### **Departmental Results Report (Rapport sur les résultats ministériels)**

Provides information on the actual accomplishments against the plans, priorities and expected results set out in the corresponding departmental plan.

### **full-time equivalent (équivalent temps plein)**

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

### **performance (rendement)**

What an organization did with its resources to achieve its results, how well those results compared to what the organization intended to achieve, and how well lessons learned were identified.

### **performance reporting (production de rapports sur le rendement)**

The process of communicating evidence-based performance information. Performance reporting supports decision-making, accountability and transparency.

### **plans (plan)**

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead to the expected result.

**priorities (priorité)**

Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

**program (programme)**

A group of related resource inputs and activities that are managed to meet specific needs and achieve intended results, and that are treated as a budgetary unit.

**Program Alignment Architecture (architecture d'alignement des programmes)**

A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

**results (résultat)**

An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead, they are within the area of the organization's influence.

**Strategic Outcome (résultat stratégique)**

A long-term and enduring benefit to Canadians that is linked to an organization's mandate, vision and core functions.

**target (cible)**

A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.