



CONSUMER
PROTECTION BC

ANNUAL REPORT

2023

EDITION

Our offices are located on the traditional lands of the ƱSÁNEĆ and Lək̓ʷəŋən (Lekwungen), hə́h̓qəmiíhə́m (Hun'qumyi'num), Sk̓w̓x̓wú7mesh (Squamish) and Secwepemctsin (Shuswap)-speaking Peoples and ancestors, and our work extends across the homelands of the Indigenous Peoples within what we now call British Columbia. We honour the many territorial keepers of the lands and waters where we work.



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MESSAGE FROM THE BOARD CHAIR AND CEO

Each year, and as required through our Administrative Agreement with the BC Government, we produce an annual report to highlight our strategic priorities and describe the actions our organization took to advance work in those specific areas of focus.

Outlined in Focus Area 1, *consumer and business education*, we continued our 2022 efforts by delivering year two of a three-year consumer education campaign focused on debt collection, equipping both consumers and businesses with knowledge and tools to increase awareness and understanding of their rights and obligations under the areas that we oversee.

Under Focus Area 2, *compliance with contracts and agreements*, we reviewed all loan agreements used by high-cost credit grantors, our newest licensed and regulated industry. Where necessary, we applied progressive enforcement tools to correct any identified issues. We increased compliance rates of contracts being used by licensed travel agencies and wholesalers and responded to identified non-compliance within the financial sector and related to mortgage discharge obligations under the *Business Practices and Consumer Protection Act*. Through this work, we mutually signed undertakings with 11 banks and credit unions which resulted in the contribution of nearly \$12 million to the Consumer Advancement Fund.

Our final Focus Area, *enhancement and standardization of administrative and operational processes*, concentrated on reviewing and enhancing our cybersecurity program to meet ISO27001 requirements. We made further strides under this focus area with the specific allocation of resources to our corporate quality management program, leading to a more in-depth, data-based review of our business areas to improve processes and deliver consistent and effective services to our interest holders.

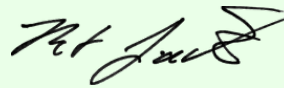
Other achievements in 2023 include being certified as a Great Place to Work® for the seventh year in a row and facilitating the return of more than \$627,000 in consumer refunds. We are proud of the dedicated and professional group of people that work together at Consumer Protection BC who help both consumers and businesses navigate a complex and challenging marketplace.

With gratitude and respect, we acknowledge the valuable contributions made in 2023 by Rod Dewar, who served as Board Chair for Consumer Protection BC from November 2019 through March 2024. Since his appointment as a Director in 2017, Mr. Dewar's meaningful contributions have driven our organization's strong performance, and his leadership continues to benefit Consumer Protection BC. We are immeasurably grateful for his service in both the Chair and Director roles.

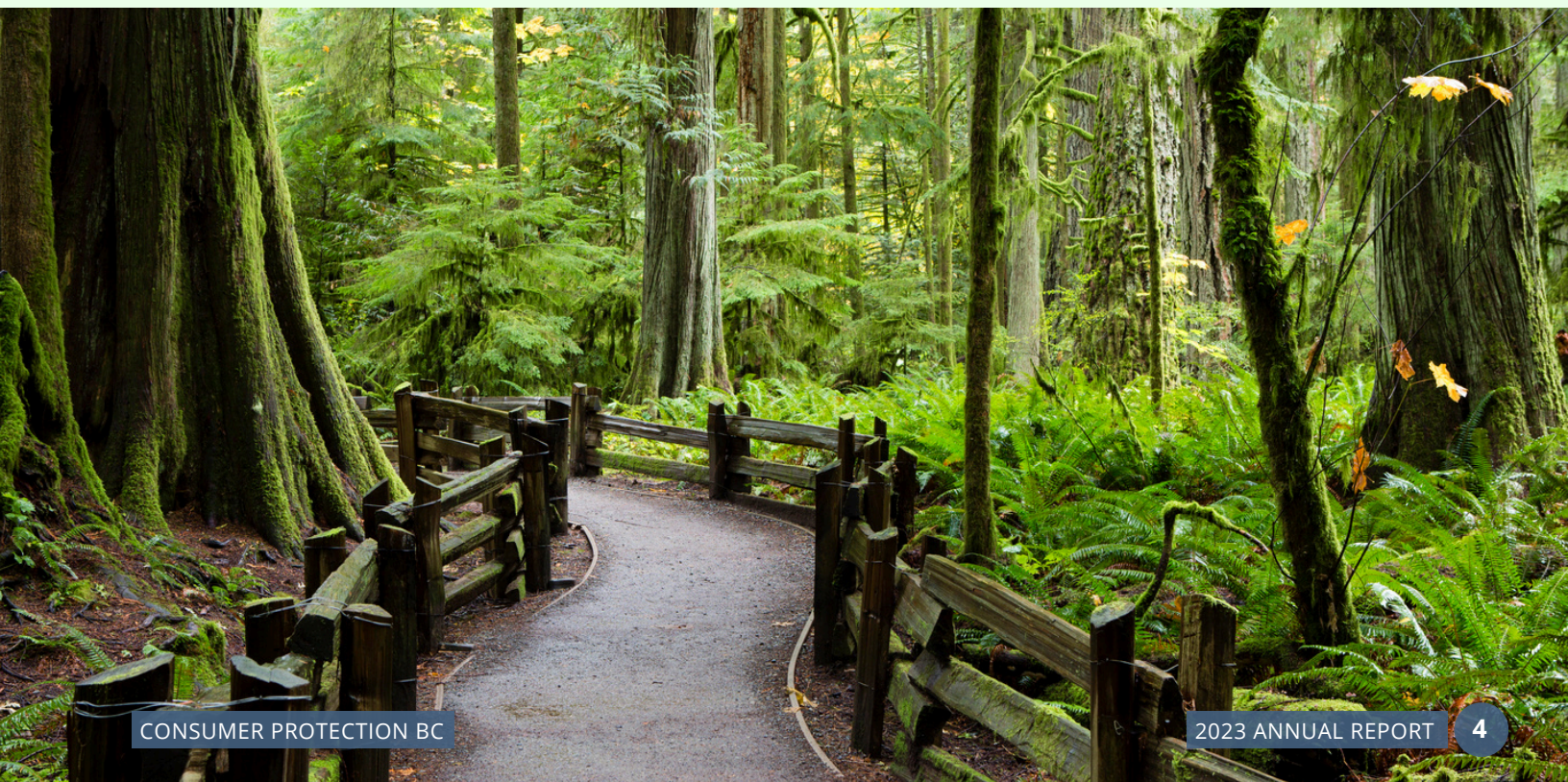
We look forward to continuing to work on behalf of all British Columbians to effectively administer consumer protection legislation and add value to our consumer and business interest groups. Lastly, we recognize our valuable partnership with the Ministry of Public Safety & Solicitor General and look forward to continuing to represent the Province in our meaningful work.



Bill Snell
Board Chair (as of 2024)



Robert Gialloreto
President & CEO



BOARD OF DIRECTORS

Rod Dewar
Chair of the Board of Directors

Gigi Chen-Kuo
Director
Finance & Audit Committee Chair


Sandra Heath
Director

Cathy McIntyre
Director (term ended August 2023)

Dr. Syed Ashiq Ali Shah
Director (Ministerial Appointment, term started June 2023)

Bill Snell
Director
Human Resources & Compensation Committee Chair

Ali Solehdin
Director
Governance & Nominating Committee Chair

2023 

Highlights



Eleven banks agreed to comply with laws that protect BC homeowners with mortgages and paid almost **\$12 million** to the Consumer Advancement Fund



With our help, consumers received more than **\$627,000 in refunds** from businesses

We completed **334 investigations**



We **inspected 148** licensed businesses



We answered **9,233**

consumer questions



We issued/renewed **6,852 licences**

We are a **Great Place to Work®** for the seventh year in a row



We shared information with:

76,739 followers on Facebook
6,140 followers on Instagram
6,436 email subscribers

OUR AREAS OF FOCUS

This section describes how, in 2023, we addressed the three areas of strategic focus set out in our [2023 - 2025 Business Plan](#), and the outcomes of that work.

FOCUS AREA 1: CONSUMER AND BUSINESS EDUCATION

Our strategic objective was to position our educational activities and campaigns as relevant and effective regulatory tools to foster consumer resilience and business compliance in the areas we oversee.

During the year, we completed two strategic actions in this area:

1. We delivered year two of a three-year consumer education campaign to help educate BC consumers about their rights when contacted by a debt collector.
2. We used our educational resources to help our licensed and regulated businesses understand their contract obligations under our oversight.

What did we achieve?

1. We launched a two-month campaign to educate BC millennials being contacted by a debt collector about their rights and obligations. With more than 43,500 views of our website content, the campaign provided resources and self-help tools to manage and respond to debt collector communications. The campaign digital ads were particularly effective at \$0.51 cost-per-click, which was lower than expected. (Read more about our campaign on page 20.)
2. For business education, we developed plain language website content about distance sales¹ and future performance² contract obligations, which apply to many BC businesses. Our education efforts focused on providing information about these contract rules to licensed travel agents and wholesalers. We also enhanced our information about lending agreement requirements for the high-cost credit granting sector. Education, along with our progressive enforcement, are important tools in our compliance program. The impact of these educational efforts was measured in the work done in Focus Area 2.

1. A distance sales contract is an online, email or over the phone transaction.

2. A future performance contract is an agreement where you do not pay in full upfront, or you don't get the goods or services immediately.

FOCUS AREA 2: COMPLIANCE WITH CONTRACTS AND AGREEMENTS

Our strategic objective was to protect the rights of consumers when entering into contracts and agreements by ensuring that businesses (and their contracts) are complying with BC's consumer protection laws, by informing consumers of their rights and by supporting effective and modern consumer protection legislation in this area.

During the year, we worked on three strategic actions in this area:

1. We assessed the rate of compliance of loan agreements with the High-Cost Credit Products Regulation. We corrected non-compliance through education and, as needed, escalated enforcement action.
2. Based on low compliance rates detected in 2022, we increased compliance rates among licensed travel businesses related to contract requirements in the *Business Practices and Consumer Protection Act* and the Travel Industry Regulation.
3. We identified and responded to lender non-compliance related to mortgage discharge obligations under the *Business Practices and Consumer Protection Act*.

What did we achieve?

1. To maximize contract compliance for high-cost credit grantors, a newly regulated sector, we reviewed all high-cost lending agreements and established a baseline compliance rate of zero per cent. We focused our proactive industry education and ongoing compliance work on high-risk areas of non-compliance.
2. For the travel sector, we developed and piloted a self-assessment learning tool, along with a series of inspections, to assess industry knowledge levels of distance sales and future performance contract requirements. Of the 145 travel agents/wholesalers selected to take the self-assessment, 91 per cent had a medium to high level of knowledge of the contract rules in BC. Cancellation policies had the lowest knowledge scores, which is also a high-risk consumer area. While there is still contract learning to be done in the travel industry, the self-assessment pilot confirmed that questionnaires are a valuable tool for business education and give us insights into our larger sectors' compliance with complex regulatory requirements.
3. Our assessment of BC's financial sector showed broad non-compliance when it came to providing consumers with discharge documents within 30 days of mortgage loans being paid in full. Working with the sector, we signed undertakings with 11 banks and credit unions to change their business practices and pay a total of almost \$12 million into the Consumer Advancement Fund. (Read more about this work on page 17.)



FOCUS AREA 3: ENHANCEMENT AND STANDARDIZATION OF ADMINISTRATIVE AND OPERATIONAL PROCESSES

Our strategic objective was to use a quality management approach to assess our processes, develop the most effective workflow and maximize both our resources and our productivity.

During the year, we addressed two strategic actions in this area:

1. We enhanced our cybersecurity program to use industry best practices and standards to manage and secure our data, systems and all related technology processes. Accordingly, we are pursuing an international standard certification (ISO27001) in cybersecurity.
2. We created and trained an internal position of Director of Quality Management. This position is responsible for reviewing and leading the enhancement and standardization of our processes, including identifying and implementing an appropriate quality management approach for our organization.

What did we achieve?

1. In our pursuit to obtain ISO27001, we reviewed our policies, procedures, controls, tests, overall software, hardware, network and information management systems. We also implemented VANTA, a conformity assessment tool that offers support and guidance. The foregoing are foundational elements to eventually become ISO certified.
2. The Director of Quality Management completed a Quality Management Certificate and developed a proof-of-concept report focused on Inquiry Centre processes. The report recommended administrative and operational process enhancements and confirmed our organization's quality management approach.

CONSUMER STORY



TRAVEL AGENCY FORCED TO RETURN REFUND TO CONSUMER

Wendy and Glenn³ were on vacation in Argentina when they heard about a family emergency and decided to cut their trip short to get home to their loved ones. Wendy and Glenn asked their travel agent if they could get a refund for any unused travel services, such as flights and tours, and they declined. The travel agent explained the trip was non-refundable, as written in their policy.

Wendy and Glenn were disappointed but understood that these were the terms and conditions they agreed to when they purchased the travel. They booked new, earlier flights and returned home.

After dealing with the family emergency, Wendy decided to reach out to the airline directly in the hopes they could get a refund for the original unused flights.



“The airline was very accommodating. They said they would absolutely be willing to refund us,” said Wendy.

The airline had to issue the refund to the original form of payment, which meant the money went back to the travel agency first. Thrilled that they were able to recoup some of their funds, Wendy reached out to the travel agency to coordinate getting their refund once the airline confirmed that the money had been returned to the agency.

“I got the runaround from them for almost a year,” says Wendy. “First, [the travel agency] was claiming the refund hadn’t come through yet, even though I had proof that it had.”

3. Names changed to protect the privacy of the individuals involved.

Eventually, to Wendy and Glenn’s surprise, the travel agency admitted they had received the refund from the airline and that they would be keeping it.

Believing that the travel agency was acting in bad faith, Wendy began researching her rights and was directed to Consumer Protection BC. Even though Wendy and Glenn were based in the United States, the travel agency was in BC, meaning it was licensed and regulated by Consumer Protection BC.

Looking back, Wendy explains her relief when she learned that there was an agency that could help after not getting anywhere with the business, despite her efforts.

“It was a nightmare. I couldn’t believe that there was no recourse,” says Wendy. “I was so happy to find out that Consumer Protection BC existed.”

After contacting Consumer Protection BC for help and providing their information, Wendy and Glenn’s complaint was escalated to the compliance and enforcement department. The inspector advised the travel agency that keeping the refund was consistent with an unconscionable act, meaning the conditions in a transaction are inequitable.

After lots of back and forth with Consumer Protection BC, the travel agency eventually agreed to give Wendy and Glenn the refund from the airline, totaling nearly \$3,500 USD. When asked about her takeaways from the experience, Wendy encourages others not to give up and to do research if they run into a consumer issue.

“Keep searching and climb up the next rung. Be knowledgeable and try to get the information you need to seek out possible solutions.”

HAVE YOU RUN INTO ISSUES WITH TRAVEL SERVICES?

We license and regulate travel agencies in BC and oversee certain aspects of their business practices. The laws protect any consumer who deals with a BC business. Depending on the issue, we may be able to help. [Learn more about the rules for travel agencies in BC.](#)





UPDATE ON POLICY SUPPORT

CONSUMER PROTECTION LAW MODERNIZATION

Consistent with our mandate, we continued to monitor the marketplace and provide timely and reliable information to the BC Government, supporting their ongoing consumer protection modernization project which may help inform potential enhancements to BC's consumer protection laws.

FIRST NATIONS CEMETERIES

We continued to offer ourselves as a resource to support First Nations communities in understanding the potential application of the *Cremation, Interment and Funeral Services Act* with respect to establishing and managing cemeteries in a treaty and non-treaty context and in a manner that recognizes Indigenous rights, culture and traditions.

CONSUMER STORY



REGULATOR HELPS BC CONSUMER OUT OF AN UNLAWFUL \$7,000 AIR PURIFIER CONTRACT

Emily⁴ was approached by a friend about working as a salesperson for a vacuum and air purifying company on Vancouver Island. Emily felt the opportunity would be a great part-time job, so she decided to go for it.

Emily was told that to work for the company, she had to personally purchase one of the air purifying units. Unsure at first, Emily was reassured that she wouldn't have to pay for it once she began doing demos for potential customers. Emily went down to the storefront and signed a contract and financing agreement for one of the purifying units that would be delivered in two days' time. She was not provided with a receipt or a copy of the contract at the time of purchase, as required by BC law.

Emily began to feel that the company's sales process was less than upfront and did not align with her values. After deciding to part ways with the company, she contacted them to return her air purifying unit, but they refused. They told her she was bound to the expensive financing agreement. When the business refused to budge and charges started to appear on her credit card, Emily began to worry.



"It was horrible. I was sleepless and would just cry and cry," said Emily. "I lost some faith in people's kindness. I would never do such a thing."

4. Name changed to protect the privacy of the individual involved.



Emily began doing some research and came across Consumer Protection BC's website and decided to contact them for help. After providing the necessary information to the Consumer Protection BC investigator, Emily was advised that the transaction was not compliant with the rules because she had not been provided with a copy of the contract. This meant Emily was within her rights to cancel and receive a refund for what she had already paid.

After Emily returned the unit, the Consumer Protection BC investigator contacted the business on Emily's behalf and advised them to stop trying to collect payment and to refund what was owed. The business eventually agreed and released Emily from the expensive contract, totaling more than \$7,000 after interest.

When asked about her takeaways from the experience, Emily encourages others to read contract details carefully and to communicate in writing if there's an issue with a business.

"Don't sign a contract unless you know the terms and take your time to look over it carefully," says Emily. Emily also urges others to remember that when something seems too good to be true, it probably is.

"No one is giving away free things unless they want something back."

LOOKING FOR MORE INFORMATION ABOUT YOUR RIGHTS FOR CONTRACTS IN BC?

A future performance contract is an agreement where you do not pay in full upfront, or you don't get the goods or services immediately. By law, your contract must contain specific information. If certain information is not included, or you didn't get a copy of the contract within 15 days, you may be within your right to cancel. [Learn more about the rules for future performance contracts by visiting our website.](#)

OPERATIONAL STATISTICS⁵



Licensed sectors:	Consumer inquiries ⁶	Licences issued and renewed	Compliance inspections
Cremation, interment and funeral services	583	1,228	33
Debt collection, bailiffs and repayment agents	875	2,970	2
High-cost credit grantors	117	175	17
Home inspectors	42	489	0
Motion picture and video retailers, distributors and theatres	42	797	0
Payday lenders	156	154	12
Telemarketers	13	32	0
Travel agents and travel wholesalers	493	1,007	84
Total	2,321	6,852	148
Total number of consumer inquiries	9,233		

5. For more information, please read our [Licensed Industry Overviews](#) and our [Financial Statements](#) in the News and Media Centre section of our website (under Our Publications).

6. Volumes are based on each unique contact point logged by our tracking system, not on combined interactions with consumers on certain issues. Not all inquiries handled were within our mandate.

Investigation files concluded:	334
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Assets, recoveries and restitution:

Total contributions to the Consumer Advancement Fund (CAF) ⁷	\$12,012,975
Contributions to the CAF from undertakings signed by financial institutions related to BC's mortgage discharge rules	\$11,981,575
Contributions to the CAF from other undertakings and administrative penalties	\$31,400
Costs recovered through compliance orders and undertakings	\$96,033
Consumer restitution	\$627,508

Motion picture classification:

General release exhibition trailers and motion pictures viewed	1,347
General release exhibition trailers and motion pictures additional approvals	40,959

7. Established through the *Business Practices and Consumer Protection Act*, the Consumer Advancement Fund (CAF) is a fund used to educate consumers and suppliers and to increase compliance with the Act, among other purposes. The CAF is funded, in part, by administrative monetary penalties, or undertakings that are levied under the consumer protection statutes we administer.

CORPORATE STORY

BANKS AGREE TO MEET THEIR OBLIGATIONS TO PROTECT BC HOMEOWNERS

Inspections of 11 banks and credit unions by Consumer Protection BC showed widespread compliance issues with laws that are in place to protect BC homeowners once they pay off their mortgages.



Under BC's consumer protection laws, once a mortgage is paid in full, a mortgage lender must provide the borrower with a discharge document within 30 days.⁸ This document removes the mortgage charge on the property that's filed with the Land Title and Survey Authority of British Columbia. The process is meant to accurately report the status and ownership of private property.

Consumer Protection BC carried out a series of inspections after hearing concerns from the Law Society of British Columbia, the Society of Notaries Public of British Columbia and the Land Title and Survey Authority of British Columbia. The results showed the banks and credit unions were not meeting their obligations, ultimately resulting in delays for homeowners in having the mortgage charge removed from their property.

"Paying off your mortgage is one of life's key milestones," says Shahid Noorani, Vice President with Consumer Protection BC. "You don't want that experience tainted because your financial institution kept the charge on your property after your mortgage was paid off."

Noorani explains that the requirement to provide a mortgage discharge is more than an administrative exercise and there are real risks to homeowners if it's not done promptly.

"If banks decide to skirt this obligation, it can create complications for financial planning, provide opportunities for fraud or delay your ability to sell your home," says Noorani.

8. If the mortgage is a revolving mortgage (commonly known as a home equity line of credit or HELOC), the discharge document must be given within 30 days of a borrower making a request.

The provincial regulator encourages consumers to confirm that this final step has been completed within 30 days of paying off their mortgage. Consumers can contact their financial institution directly to request a State of Title Certificate or they can do a land title search on their property with the Land Title and Survey Authority of British Columbia to ensure the record is accurate. If the mortgage discharge hasn't occurred, consumers can submit a complaint to Consumer Protection BC.

Working with the sector to rectify the issues, Consumer Protection BC signed undertakings⁹ with the 11 banks and credit unions which agreed to change their business practices. The financial institutions also agreed to pay a total of almost \$12 million to BC's Consumer Advancement Fund. This fund is created under the laws administered by Consumer Protection BC and is used, in part, for delivering consumer education in the province.

The news was welcomed by other organizations affected by the issue, including the Land Title and Survey Authority of British Columbia.

"[The Land Title System] is an essential underpinning to BC's private property market and justice system and is relied on by millions of people and businesses every year. It is critical that titles be accurate and up to date," says Carlos MacDonald of the Land Title and Survey Authority of British Columbia. "I am confident the measures Consumer Protection BC took will reduce both the number of late discharges and the average length of time between mortgage payouts and their discharge from title."

LOOKING FOR MORE INFORMATION ABOUT YOUR RIGHTS WHEN YOU PAY OFF YOUR MORTGAGE?



Once a conventional mortgage is paid in full, a mortgage lender must provide you with a discharge document within 30 days. [Learn more about your rights once you pay off a mortgage by visiting our website.](#)

9. An undertaking is a written agreement and one of the enforcement tools available to Consumer Protection BC under the *Business Practices and Consumer Protection Act*.

FINANCIAL REVIEW

We ended the year with a surplus of \$18,731 compared to a budgeted surplus of \$48,629. Although licensing and film classification revenue trailed budget, the recoveries revenue and other revenue sections softened the impact of the underage. Prudent expense management ensured expense targets remained in line with revenue earned. Our complete audited financial statements, including an accounting of the administration of the Consumer Advancement Fund, the Travel Assurance Fund and the Consumer Financial Education Fund, are available in the [publications section](#) of our website.

CORPORATE STORY

REGULATOR HELPS BC MILLENNIALS STRUGGLING WITH DEBT

With many consumers facing financial woes, none may be as hard hit as millennials, the generation born between 1981 and 1996. For this reason, Consumer Protection BC focused on millennials for a 2023 consumer education campaign about debt collection rights and financial literacy.

Through two surveys with thousands of respondents, Consumer Protection BC learned that millennials were the least confident and the most stressed about debt compared to other generations in BC. These findings were backed by [2023 research](#), where the generation showed the highest increase in non-mortgage debt levels in Canada (from 2021 to 2022).

Factors like inflation, rising interest rates and student loans are attributed to the mounting debt levels facing Canadian millennials.

Despite this, Consumer Protection BC's campaign played on millennial debt stereotypes: discretionary spending on things like avocado toast are to blame.

The educational campaign featured images of avocado toast paired with a tongue-in-cheek message: "Most millennials are stressed about debt (and it's not because of avocado toast)."



Most BC millennials are stressed about debt
(and it's not because of avocado toast)



Learn your debt rights in BC and access tools to help



Half of BC millennials have been contacted by a debt collector
(and it's not because of avocado toast)



Learn your rights in BC and access tools to help.



“When people say that avocado toast is the reason for this generation’s financial struggles, I think there’s a collective eye-roll from millennials,” says Tatiana Chabeaux-Smith, Director of Communications with Consumer Protection BC. “There’s a lot more at play and that’s what we wanted to acknowledge in our ads.”

Consumer Protection BC is responsible for enforcing certain consumer protection laws in the province, including the rules that debt collectors must follow. With nearly half of BC millennials reporting they had received a collection call, the regulator wanted to help this group learn their rights. For example, consumers can request that collectors communicate to them in writing only or they can dispute a debt through the courts if they don’t believe the debt is owed.

The Consumer Protection BC website includes tools and resources, including forms, to help consumers learn and exercise their debt rights in BC.

The two month-campaign resulted in more than 43,000 visits to Consumer Protection BC’s online resources and the message in the ads received a warm reception from the millennial audience.

Chabeaux-Smith explains that the campaign’s hopeful and empathetic approach was intentional.

“While debt remains a serious issue, it’s a common one,” says Chabeaux-Smith. “And despite that, there’s a lot of shame. We wanted our message to be positive and understanding. Reducing stigma and shame is an important first step in consumer education on this topic.”

When asked what advice she has for people struggling with debt, Chabeaux-Smith encourages them to explore the Consumer Protection BC website and to do their research if seeking out professional help.

“You’re not alone and there are resources that can help.”



GETTING COLLECTION CALLS?

Dealing with debt can be stressful, especially if you’re getting collection calls. In BC, you have rights when it comes to debt collection. There are laws that deal with when a collector can contact you and how they can communicate with you. [Learn your debt collection rights in BC and access tools and resources to help.](#)

CONTACT US

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YouTube: www.youtube.com/user/ConsumerProBC

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