

Consumer Protection

Follow-up on VFM Section 3.03, 2009 Annual Report

Background

The Ministry of Consumer Services (Ministry) oversees business and industry practices in Ontario's consumer marketplace for the protection of consumers and public safety. It does this by educating the public and businesses, responding to complaints from the public, monitoring and inspecting businesses, and enforcing compliance with a number of consumer protection regulations and laws, such as the *Consumer Protection Act, 2002*.

In the 2010/11 fiscal year, the Ministry carried out these responsibilities with a staff of about 113 (110 in 2008/09) and operating expenditures of approximately \$12.8 million (\$12.6 million in 2008/09).

The responsibility for certain marketplace sectors has been delegated to eight designated administrative authorities (delegated authorities), which are not-for-profit corporations (see Figure 1). The corporations are funded by the industries they oversee and use their industry and technical expertise to protect the public. The Ministry monitors the performance and activities of these delegated authorities.

At the time of our 2009 audit, we noted that the Ministry had made progress in addressing many of the recommendations in our 2003 audit, including recent improvements to its oversight of delegated authorities. Several changes to legislation had

also strengthened consumer protection, and the Ministry had carried out initiatives to promote compliance with consumer protection legislation by certain industries. Nonetheless, we noted that corrective action was required in the following areas:

- The Ministry needed to better promote its mandate and services to consumers. The almost 40,000 inquiries and written complaints it received in the 2008/09 fiscal year represented a 12% drop in volume from peak levels in 2004/05, but the Ministry had done no work to assess the reasons for this decline. Quebec's consumer protection agency, by comparison, received more than 250,000 consumer inquiries and complaints annually. In addition, our own independent external survey indicated that the Ministry would not be among Ontarians' top choices for resolving a complaint.
- The Ministry needed to deal more effectively with problem industries and repeat offenders, such as collection agencies, which had consistently been on the Ministry's Top 10 Complaints list from 2000 through 2008. As well, limited inspection staff resources resulted in no proactive visits during 2008/09 to the types of businesses in the Top 10 Complaints list, and the Ministry initiated only 148 inspections and educational field visits as a direct result of the 6,000 written complaints it received. In addition, the *Consumer Protection Act, 2002*, which covers the vast majority of

Figure 1: The Ministry's Delegated Authorities

Source of data: the most recent published annual report of each delegated authority

Delegated Authority (Year Established)	Primary Legislation Administered and Key Responsibilities	Annual Expenditures (\$ million)	# of Staff
Board of Funeral Services (BoFS) (1914)	<i>Funeral Directors and Establishments Act</i> regulates funeral services; licenses 3,300 businesses and individuals	1.8	10
Electrical Safety Authority (ESA) (1999)	<i>Electricity Act, 1998</i> regulates the use of electricity and electrical equipment; enforces the Ontario Electrical Safety Code; licenses more than 17,000 electrical contractors and electricians	85.2	482
Ontario Motor Vehicle Industry Council (OMVIC) (1997)	<i>Motor Vehicle Dealers Act, 2002</i> regulates about 7,800 motor vehicle dealers and 24,000 salespersons	10.0	78
Real Estate Council of Ontario (RECO) (1997)	<i>Real Estate and Business Brokers Act, 2002</i> regulates 60,000 real estate brokerages, brokers, and salespersons	10.7	87
Tarion Warranty Corporation (Tarion) (1976)	<i>Ontario New Home Warranties Plan Act</i> administers a mandatory new home warranty program; registers 5,400 builders; enrolled more than 1.5 million homes	20.7	250
Technical Standards and Safety Authority (TSSA) (1997)	<i>Technical Standards and Safety Act, 2000</i> licenses, registers, and certifies about 115,000 devices, facilities, contractors, workers for boilers and pressure vessels, operating engineers, amusement and elevating devices, fuels, and upholstered and stuffed articles industries	45.5	340
Travel Industry Council of Ontario (TICO) (1997)	<i>Travel Industry Act, 2002</i> regulates about 2,500 travel retailers and wholesalers	4.0	23
Vintners' Quality Alliance of Ontario (VQA Ontario) (2000)	<i>Vintners Quality Alliance Act, 1999</i> regulates VQA standards for more than 120 registered wineries	1.2	3

businesses, does not give the Ministry certain powers that inspectors in other Ontario government programs and other provinces typically receive, and the lack of these powers hindered the Ministry from identifying and remedying consumer protection violations.

- The Ministry had made some progress since our previous audit in enforcing compliance by cemetery owners with reporting requirements under the *Cemeteries Act*. However, we identified a number of financial discrepancies that the Ministry had not followed up on.
- The Ministry had launched a comprehensive review of delegated authorities on an urgent basis only after a tragic propane explosion in Toronto on August 10, 2008. Four years earlier, the Standing Committee on Public Accounts had recommended that the Ministry conduct such a review.
- The boards of directors of delegated authorities were dominated by representatives of the industries they regulate. The Ministry had not encouraged more representation from government, consumers, and the public on such boards.

- Despite the Ministry's responsibility to oversee the delegated authorities, the Ministry had no right to access delegated authorities' information on matters such as quality assurance programs, strategic plans, executive salary and compensation packages, and board minutes.
- We noted that only one performance measure was reported publicly to cover all consumer protection programs delivered directly by the Ministry, and we questioned whether it was a reliable and meaningful measure.

We made a number of recommendations for improvement and received commitments from the Ministry that it would take action to address our concerns.

Status of Actions Taken on Recommendations

According to information we received from the Ministry, some progress has been made in addressing all of our recommendations, with significant progress being made on several. The Ministry researched how other provinces promote their consumer protection mandates and services, and what enforcement measures they use, in order to consider whether these could be incorporated into its own practices. The Ministry also has made improvements to its information systems and internal processes to better identify businesses with a history of violations. We recognize that the Ministry will need additional time to fully address several of our recommendations and that the *Consumer Protection Act, 2002* limits its inspection and enforcement powers over businesses that are regulated under this Act. The status of action taken on each recommendation at the time of our follow-up was as follows.

CONSUMER PROTECTION PROGRAMS DELIVERED DIRECTLY BY THE MINISTRY

Public Awareness of the Ministry's Mandate and Consumer Protection Legislation

Recommendation 1

To ensure that there is adequate public awareness of the Ministry's consumer protection mandate and complaint services, the Ministry should:

- *consult with other jurisdictions that have significantly more activity and recognition by the public to see if there are any best consumer-protection practices that can be applied in Ontario;*
- *assess its outreach and education programs with a view to identifying changes needed to make them more effective; and*
- *establish mechanisms for regularly assessing the general public's awareness of consumer rights and the Ministry's programs.*

Status

The Ministry informed us that it had conducted comprehensive research of public outreach and awareness practices in other Canadian jurisdictions. The Ministry had identified best practices and was considering them for possible adoption in Ontario. For example, the Ministry noted that Internet applications that facilitate information sharing, such as blogs and social networking, are useful tools for informing and communicating with young consumers.

The Ministry informed us that a media relations campaign began in January 2010 to raise awareness of the Ministry and to inform and educate consumers about their rights and responsibilities. The Ministry said the campaign involved about 650 public outreach initiatives, including media interviews and other events, and covered topics such as moving companies, home renovations, and motor vehicle repairs.

The Ministry acknowledged that three ministry realignments and name changes in the recent past

had likely had the effect of lowering the Ministry's public profile. However, in June 2009, the Ministry of Consumer Services became a stand-alone ministry, and it created a new website in October of that year. Consumer use of the new website has increased steadily—more than 540,000 visits during 2010 and 235,000 during the first three months of 2011, compared to the 7,800 and 28,000 visits during 2007 and 2008, respectively, that we noted in our 2009 report. Twenty-one new informational videos were also created and posted to the Ministry website.

The Ministry also reports some improvement to its service volumes: it received 40,000 phone inquiries and 7,300 written complaints in 2010/11, an increase of about 19% from 2008/09.

The Ministry commissioned a survey in fall 2010 and market research analysis in winter 2011 to gauge the public's awareness of consumer protection and the Ministry. The survey results largely confirmed the results of our 2008 survey—that the public did not regard the Ministry as a top source of help on consumer issues. The Ministry told us it intended to compare results from future surveys against this one so it could measure its progress in increasing awareness of consumer protection legislation and the Ministry's services.

Since fall 2010, the Ministry initiated, completed, and began implementing a long-term Consumer Awareness Strategy. The strategy includes goals for educating the public about their consumer rights and responsibilities, responding to consumers' concerns and issues promptly, and increasing public awareness of the Ministry as a source of consumer information and protection. The strategy also includes activities for achieving these goals and measuring its success.

Registration and Licensing

Recommendation 2

To ensure that its registration processes meet legislative requirements that only businesses that demonstrate financial responsibility and honesty and

integrity are registered and licensed, the Ministry should:

- *review the procedures, documentation requirements, and quality control processes that its staff must follow to conduct a proper and complete review of an application; and*
- *establish a policy and guidelines for staff to use that would require due consideration of the number and types of complaints about an applicant.*

Status

The Ministry informed us that it had reviewed and updated its registration and licensing procedures, including documentation requirements, for collection agencies, cemeteries, payday loan units, and bailiffs. Checklists for these sectors were developed and implemented to help ensure that staff reviewed applications in a consistent manner.

The Ministry advised us that if the number and type of complaints about a particular licensed business do not entitle that business to continue to be registered and operate, steps to suspend or revoke the registration would be taken at the time the determination is made, rather than delayed until, for instance, the registration renewal date. However, the Ministry informed us that no business licences had been revoked or suspended in the last two years as a result of a business's history of violations, or for any other reasons.

The Ministry implemented changes to its Consumer Affairs Tracking System (CATS), which is used by staff to record inquiries or complaints by consumers and any response or action taken by the Ministry. The Ministry told us the changes would improve monitoring by tracking issues and flagging violators whose conduct might call for direct ministry intervention.

The Ministry has also created the position of Complaint and Compliance Analyst, and that person is to take proactive measures to address non-compliance by payday loans companies and collection agencies.

Dealing with Consumer Complaints

Recent Initiatives and Information Systems

Recommendation 3

To enhance the ability of staff to use the information recorded in the Consumer Affairs Tracking System to analyze consumer issues by the type of industry and the type of inquiry or complaint, the Ministry should:

- capture information on its inspections and educational field visits by industry and violation type and on the type of information provided for the public inquiries; and
- ensure that the nature of all inquiries and calls is input into the system.

Status

The Ministry informed us that in winter 2010 it enhanced the Consumer Affairs Tracking System (CATS) in a number of ways:

- Fields have been added to the inspections modules so that staff can record the nature of the inspection or educational field visit and the type of industry and service inspected.
- Data verification checks help ensure that inspectors enter a description of the deficiencies, as well as other required information.
- New reporting capabilities monitor the outcome of all written and verbal complaints received about collection agencies and payday loan companies for a particular time period.

We were also advised that performance appraisal forms for those staff whose jobs include receiving complaints from the public were revised to include an evaluation of the employee's documentation of the complaints and actions taken.

Problematic Industries and Repeat Offenders

Recommendation 4

To ensure that it can effectively deal with industries and businesses that incur high numbers of and/or repeated consumer complaints, the Ministry should:

- conduct research to identify best practices in other provinces that can be applied in Ontario

to improve compliance by certain industries and businesses; and

- identify industries and businesses that persistently incur a high number of consumer complaints, assess the effectiveness of its past enforcement activities used against these problematic industries and businesses, and establish effective education and enforcement strategies for dealing with them.

Status

The Ministry informed us that from July 2010 to May 2011 it conducted a survey of compliance techniques and best practices in use in other provinces. It said it plans to use the results, which it summarized in a June 21, 2011 report, to identify strategies that could improve the compliance and enforcement function in Ontario.

The Ministry advised us that it had updated its Investigation Priority Assessment System (IPAS), which annually assigns a relative priority to files that are flagged for investigation, as well as its annual inspection allocation review process, which designates the industries in which inspections and field visits will be made. Due to limited staff resources, the Ministry investigates cases with the potential for higher risk of financial loss to consumers and/or a greater number of complaints and victims. Higher priority is also assigned to those industries identified by government as requiring more attention because of the risks they pose to society and more vulnerable people. The Ministry informed us that compliance and enforcement resources have focused on industries with high complaint volumes, such as the water heater rental industry, home furnishing movers, fitness clubs, and home renovations.

The Ministry retained a consulting firm in spring 2011 to review the operations and organizational structure of its Consumer Protection Branch (Branch). The review determined that for the Ministry to ensure that it applied its resources in the most effective way, its risk-based approach needed to be better defined and embedded in the processes

that govern the way work is prioritized and resources allocated. It also found that the Ministry needed to increase its educational and outreach activities for businesses and consumers.

As well, the Ministry informed us that a number of steps have been taken to improve the Branch's ability to respond to identified risks. Additional resources have been allocated to strengthen its investigation and enforcement program; IPAS was updated and amended to better identify risks, priorities, and appropriate enforcement mechanisms; complaint volume statistics are regularly monitored to identify sectors where targeted compliance action or communications may be warranted; and modifications to CATS have made it easier for the Ministry to access and analyze relevant data.

Inspections and Educational Field Visits

Recommendation 5

To expand its coverage and capabilities for its inspection activities for the protection of consumers, the Ministry should:

- *conduct a formal assessment of the number of inspection staff resources it should have to adequately fulfill its mandate and ensure comprehensive coverage; and*
- *explore the need to obtain increased legislative authority and powers for its inspectors, consistent with those in other consumer protection organizations in Ontario and other provinces, that would allow them to more efficiently and effectively deal with consumer complaints and identify potential consumer protection violations.*

Status

We noted that the Ministry had been able to increase the number of inspections and educational field visits since our 2009 audit from 352 in 2008/09 to 500 in 2010/11 with the addition of inspection staff, as well as a ministry priority to increase inspections of payday loan businesses and of cemetery owners who failed to submit annual filings.

The Ministry engaged the Ministry of Community and Social Services to prepare an inspection-staffing analysis, which was completed March 31, 2011. The analysis concluded that the Ministry had an adequate level of inspection staff for the current volume of requests based on having six inspection staff, including two new staff hired since our 2009 report. However, the analysis only considered the staff resources needed to address internal requests for inspections during 2010; it did not assess whether sufficient inspections were being done to fulfill the Ministry's regulatory mandate and encourage voluntary compliance.

Following is a recent example that illustrates the need to have adequate inspection resources. The Ministry made arrangements for a pilot project in which field service officers from a Ministry of Revenue branch office would conduct inspections or educational field visits for Consumer Services concurrent with their own Revenue inspections. From February 2009 to January 2010, the field service officers conducted 23 inspections under the *Film Classification Act, 2005* of stores that sell DVD videos and 32 field visits under the *Consumer Protection Act, 2002* of motor vehicle repair facilities. In all of these cases, the field service officers identified violations, primarily regarding unlicensed premises selling videos and repair facilities not providing required disclosure to consumers on their signs. In follow-up visits, the Ministry of Consumer Services was able to obtain compliance from all the video vendors, but 29 of 32 motor vehicle repair facilities still had not complied after the follow-up visit. The pilot project with the Ministry of Revenue ended, and there are no current plans to resume the project.

The Ministry noted that the Ministry of Community and Social Services had developed an inspection model that could be used by the Branch to more effectively allocate its compliance and inspection resources to target the identified priorities, including the top 10 complaints the Branch receives. In addition, the Ministry said that implementation of the recommendations from the

spring 2011 review of the Branch's operations and organizational structure would also strengthen its risk-based approach for allocating resources and more effectively focus educational and outreach activities.

The Ministry also told us it was engaged in a partnership with the Ministry of the Environment to use its inspectors to identify contraventions of the *Consumer Protection Act, 2002* relating to waste diversion fees (known as eco fees).

In our 2009 report, we noted that consumer protection legislation in other provinces gives their inspectors powers to enter business premises at any reasonable time and to inspect, audit, or examine any record, goods, or services in the premises, and take copies if needed. The Ministry does have the authority to conduct inspections of registered businesses under powers outlined in specific pieces of legislation, such as legislation pertaining to payday loans and collection agencies. However, the *Consumer Protection Act, 2002*, which covers the vast majority of businesses, does not provide such authority; for these businesses, the Ministry conducts “educational field visits” without the authority to request or inspect books or records. The Ministry said it considered our recommendation and concluded that inspection power under the *Consumer Protection Act, 2002* was not necessary and would not be appropriate because it would be a disproportionate intervention when applied to the broad retail community, and would raise legal risks in its implementation. Instead, the Ministry determined that a “document production power” to require businesses to provide it with copies of documents they use when dealing with consumers—things like contracts, application forms, monthly bill statements and advertising—would be more appropriate, although the documents would only need to be sample documents and not the documents actually completed with consumers. The Ministry indicated that a timetable for making changes to the legislation, if any, would depend on government approval.

Investigations and Enforcement

Recommendation 6

To help ensure that the Ministry's enforcement efforts are both timely and cost-effective in achieving compliance and in deterring future violations of consumer protection laws, the Ministry should:

- *consider introducing more expeditious and effective enforcement tools, including administrative monetary penalties and tickets, for violations that either do not warrant criminal prosecution or are less serious; and*
- *undertake periodic reviews, including researching best practices in other similar organizations, of its investigative program, enforcement measures, and the Consumer Beware Database, to assess their effectiveness and identify areas for improvement.*

Status

In our 2009 report we noted that between 2002/03 and 2008/09, there were some large declines in the Ministry's investigation activities and enforcement outcomes. As Figure 2 indicates, the results have been mixed over the past two years.

The Ministry informed us that the *Payday Loans Act, 2008*, which requires registration of payday lenders and loan brokers, is the only statute that includes provisions for imposing administrative monetary penalties. A regulation allowing penalties of \$100 to \$3,000 for violations came into force in July 2009. At the time of our follow-up, the Ministry was preparing a policy framework to be used to ensure consistent application of these penalties for violations by payday loan companies. The Ministry advised us that during the initial round of inspections after the regulation came into force, and in keeping with the Ministry's progressive approach to compliance and enforcement, inspectors issued almost 120 cautions to businesses about contraventions. The Ministry plans to conduct follow-up visits to establishments that received cautions. If contraventions persist, and if the inspectors, exercising their statutory discretion, believe it is appropriate, administrative monetary penalties

Figure 2: Investigation Activities and Enforcement Outcomes by the Ministry's Consumer Protection Branch, 2008/09–2010/11

Source of data: Ministry of Consumer Services

	2008/09	2009/10	2010/11	Changes between 2008/09 and 2010/11 (%)
# of investigations closed	114	131	91	(20)
# of individuals and businesses charged	158	182	124	(21)
# of convictions	161	257	320	100
length of jail time and probation ordered by courts (months)	474	606	787	66
settlements negotiated by investigators prior to prosecution* (\$)	100,283	32,812	72,127	(28)
restitution ordered by courts (\$)	327,656	673,464	430,103	31
amount of court fines levied (\$)	384,850	324,500	317,800	(17)

* This excludes refunds obtained each year through the Ministry's complaints-handling process and mediation services prior to any investigations (\$437,645 in 2008/09; \$334,052 in 2009/10; \$330,099 in 2010/11).

will be issued. (An inspector issued a monetary penalty in April 2011 as a result of deficiencies noted from a follow-up visit.) We were also advised that as more payday loan company inspections are conducted, the reasons for issuing administrative monetary penalties and their effectiveness in achieving compliance will be monitored.

The Ministry told us it considered the possibility of issuing tickets under the *Provincial Offences Act* but rejected this approach—primarily because, under that legislation, it could not issue a ticket that exceeded \$1,000, and it felt that violations of consumer law, which are largely motivated by the prospect of financial gain, require heavier penalties to promote compliance.

As previously mentioned, the Ministry conducted a recent survey of compliance techniques and best practices in other jurisdictions and intends to review the results to see if they are applicable in Ontario. In November 2010, the Ministry also completed research into what information other jurisdictions' consumer protection offices disclosed through on-line postings. This resulted in several recommendations on ways to improve disclosure through the Ministry's Consumer Beware Database on its website. The Ministry advised us that an amendment to the regulation under the *Consumer Protection Act, 2002* would be required for addi-

tional information to be published and that a time frame for such a change is dependent on government approval.

Cemeteries' Trust Accounts

Recommendation 7

To ensure that cemetery owners comply with legislative reporting requirements and that funds are accounted for and sufficient for the proper long-term care and maintenance of cemeteries, the Ministry should ensure that:

- all annual returns are filed by all cemetery owners; and
- timely and effective action is taken to enforce reporting requirements, to properly assess reports received, and to follow up on and resolve financial discrepancies identified on returns.

In view of the significant demand that cemetery legislation places on the Ministry's limited staff resources, the Ministry should also explore the option of having cemetery legislation administered by a delegated authority.

Status

The Ministry has made progress in improving and tracking how well cemetery owners comply with their reporting requirements. We were advised

that the overall compliance rate for the filing of 2009 annual returns was 92%. As of August 2011, the Ministry had received 82% of annual returns for 2010. In addition, 97% of trust agreements for large cemeteries (those deemed to pose a higher financial risk) had been submitted and reviewed. Those agreements that had not been submitted were being tracked. The Ministry mailed to cemetery owners an updated guide and instruction sheet with annual return forms in November 2010. The Ministry expected that by the end of the 2011 calendar year the percentage of those in compliance on filing 2010 annual returns would be similar to that of 2009.

The Ministry advised us that it implemented changes to the CATS database to flag trust fund variances and capture information related to trust fund agreements and cemetery trust fund deficiencies. The Ministry said enhancements to CATS now support its processes to ensure that annual statements are reviewed and reconciled and monies are deposited by cemetery owners within the prescribed time limits into care and maintenance trust funds.

The Ministry had not yet explored the option of having cemetery legislation administered by a delegated authority.

MINISTRY OVERSIGHT OF DELEGATED AUTHORITIES

Recommendation 8

To better protect consumers and the public, the Ministry should strengthen its oversight role and accountability arrangements with designated administrative authorities (delegated authorities) by:

- *establishing formal comprehensive accountability agreements with each delegated authority that cover financial and operational requirements and that would protect the public's interests;*
- *encouraging a more appropriate and fair balance of representation on boards of directors*

between governments, consumers, the public, and industry;

- *ensuring that it has the necessary authority over delegated authorities to access any relevant information needed, such as information on quality assurance programs and use of financial resources, that would allow for a comprehensive and thorough assessment of their financial and operational performance, and where the Ministry's authority to do so is in question or limited, seeking the legislative changes necessary to grant it unfettered authority in this regard; and*
- *establishing requirements that delegated authorities provide consistent performance information and compare their performance to similar organizations in other jurisdictions.*

Status

We were informed by the Ministry that it entered into a new memorandum of understanding with the Technical Standards and Safety Authority (TSSA) in April 2010 that includes additional corporate reporting requirements and better information-sharing protocols, and that reiterates the new audit provisions in the amended *Technical Standards and Safety Act*. The Ministry also established a new accountability agreement with the Tarion Warranty Corporation (Tarion) in November 2010 that includes additional corporate reporting and information-sharing requirements. At the time of our follow-up, the Ministry was in discussions for revised administrative agreements with the Real Estate Council of Ontario (RECO), the Travel Industry Council of Ontario (TICO), the Ontario Motor Vehicle Industry Council (OMVIC), and the Electrical Safety Authority (ESA). Revised draft agreements had been presented to the authorities, and the Ministry expected new agreements to be in place by fall 2011. It further advised us that accountability requirements for the Board of Funeral Services are incorporated into new legislation expected in 2012 that will govern this sector.

The Ministry had hired a consultant to conduct research on other jurisdictions' practices

on establishing boards of directors for delegated authorities. The study was expected to be completed in September 2011 and was to identify best practices for board appointments, composition and skills, committee structures, and term limits. The Ministry also increased the percentage of board members it appoints on two authorities—from 29% to 46% for the TSSA, a planned increase that had been decided at the time of our 2009 audit and that followed a tragic propane explosion in August 2008; and from 27% to 33% for the TICO, following the sudden bankruptcy of a large travel retailer in April 2009. Ministry-appointed representation on the other boards remains as it did at the time of our 2009 audit, ranging from 25% to 33%.

The Ministry advised us that it continues to regularly receive and review information from all the authorities, including:

- advisory committee meeting minutes;
- business plans;
- annual reports with audited financial statements; and
- quarterly reports that include information on revenues, expenses, and staffing; inspections and enforcements; complaints statistics against member businesses/individuals/authority; and turnaround times for complaints and inspections.

With the exception of Tarion, the Ministry's agreement with the delegated authorities specifically requires that they provide timely information in relation to any matter requested by the Minister. Tarion's accountability agreement requires it to provide the Ministry with an annual fact sheet that contains information not captured in the quarterly reports, and also requires that the CEO of Tarion and the Minister meet periodically to discuss, consult, and share information on the business operations of Tarion.

The Ministry also reiterated that the authorities do not receive public funding. It is the responsibility of the boards of directors of each delegated authority to govern the financial and operational performance of the authorities. Therefore, the Ministry

does not currently request or receive board minutes, audit committee reports, quality assurance assessments, information on consultant expenses, or information on executive and staff salaries and compensation.

With regard to performance reporting, the Ministry advised us it has compiled an inventory of the information that is submitted by the authorities, and is in the process of confirming the performance measures and targets that will be used to track the consumer protection and/or public-safety performance of each authority. New public reporting on these measures and targets will commence for the 2011/12 fiscal year.

MINISTRY PERFORMANCE MEASURES

Recommendation 9

To improve accountability and its reporting on the extent to which it achieves its consumer protection mandate, the Ministry should:

- *report publicly on performance targets and measures for all its key activities; and*
- *on a periodic basis, such as every two to three years, conduct independent consumer satisfaction surveys of its handling of both telephone and written complaints.*

Status

At the time of our 2009 audit, the Ministry had four performance measures in its 2009/10 Results-based Plan (RbP), which was reported to the public. Only one of these measures covered all of the consumer protection programs delivered directly by the Ministry: customers' satisfaction with the Ministry's handling of consumer phone inquiries and complaints. The other three performance measures pertained to the Ministry's processes for providing oversight of delegated authorities. In its 2010/11 RbP, the Ministry's three measures pertaining to delegated authorities were replaced with one measure on authorities' satisfaction with the Ministry's performance in relationship management and policy development based on an on-line

survey distributed to them in January 2010. The RbP also contained information on results obtained by the Consumer Protection Branch in resolving issues, such as monetary recoveries to consumers and enforcement activities, and cemetery owners' compliance with the requirement that they file annual financial reports.

As previously mentioned, the Ministry was finalizing for each delegated authority the measures and targets to be used to publicly track their consumer protection/public-safety and consumer awareness achievements. This information will be made centrally available through the Ministry's website.

As required under the government's new Service Directive, the Ministry posted the Consumer Protection Branch Service Standard commitment on its website in January 2010. The service standards cov-

ered the time taken to resolve consumer complaints and the timeliness, helpfulness, and courteousness of service provided. The website also included the results for achieving its 2010 targets, which were mostly met or exceeded. However, the Ministry continues to have the same staff member who handled the phone inquiry or complaint also conduct the satisfaction survey at the end of the call.

The Ministry also commissioned a market research and polling firm to survey consumers who had previously contacted the Ministry for help with a consumer issue or with an inquiry. The March 2011 report covered key areas on how the consumers became aware of the Ministry, and the experience and satisfaction with its call centre, website, and information and help received.