

# NOVEMBER 24, 2011 ISSUE

## OBSI: SERVING CANADIANS FROM COAST TO COAST

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

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1. Who We Serve – Complainant Profiles
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### 1) Who We Serve – Complainant Profiles

Here at OBSI we believe in the importance of knowing more about financial consumers and investors who bring their complaints to us. This helps us ensure that we provide a service that properly meets their needs and expectations, and is in the public interest.

Throughout our 2011 fiscal year, we conducted detailed research into the profile of individuals who come to our office. With the support of a professional research firm, we asked about such things as age, ethnicity, education, occupation and income. What we found was instructive and sometimes surprising.

Among our findings:

**Seniors make up the majority of complainants.** Individuals over the age of 60 generated approximately 53% of the complaints we investigated. For many of these individuals, the financial harm they suffer when a bank or investment firm makes a mistake is magnified by having fewer years to make up the losses and fewer income or job opportunities; indeed, 70% of senior complainants are retired, with another 17% either self-employed or working part-time. OBSI is often a senior's only hope for fair compensation, as going to court takes too long and is often uneconomic given the amount of money involved.

**Complainants are well-educated.** According to Statistics Canada, about 52% of Canadians aged 15 and over have a trade certificate, college diploma or university degrees. However, almost 80% of people who complained to OBSI this past year fit this profile.

**Visible minorities are under-represented.** Census data shows that 16.2% of Canadians consider themselves to be a visible minority. During our review, only 11.6% of complainants identified as a member of a visible minority. While cultural factors may play a role, more research is needed into why we are still not reaching this important segment of Canadians in the way we should be. While we already handle inquiries in over 170 languages, include information in multiple languages on our website, and engage regularly with several ethnic media outlets, more can and should be done.

**Many people still don't learn about OBSI from their financial institution.** There are rules and established processes for financial institutions that participate in our service to inform their customers about OBSI and their right to bring a complaint to us. Despite this, almost 30% of people who complained to OBSI said their bank or investment company did not advise them of this right. We sometimes see evidence of this in the files we receive from clients and firms: firm correspondence is silent about OBSI, directs the client back to an internal firm contact, or simply presents the complaint as being closed. In other instances clients either did not notice the information about OBSI because of the way it was delivered or they simply forgot.

Additional findings will be published in our 2011 Annual Report.

Please note that this information is not collected as part of OBSI's investigation process. Instead, the professional research firm we engaged surveys all complainants after we have closed their file. The surveys are completed anonymously and the information is provided to OBSI on that basis.

## **2) Where They Come From – An Interactive Map**

While OBSI regularly publishes statistical data concerning the complaints that come into our office, sometimes numbers alone don't quite capture the scope and breadth of our work. That's why we've used an interactive mapping tool to plot all of our opened investigations – almost 5500 – since OBSI was created in 2002 as an evolution of the Canadian Banking Ombudsman. [Click here to zoom in and see how OBSI helps Canadians from every part of the country – from coast to coast.](#)

Note that the pins on the [map](#) do not identify the precise addresses of complainants or individuals acting on a complainant's behalf. Rather, they represent the approximate geographic centre of the postal code area where an individual complaint originated.

*(When loading the map, if you are asked whether you want to stop running scripts on your computer, please click "no".)*

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OBSI is the national independent dispute resolution service for consumers and small businesses with a complaint they can't resolve with their banking services or investment firm. As a free alternative to the legal system, we work informally and confidentially to find fair outcomes to disputes about banking and investment products and services.

OBSI looks into complaints about most banking and investment matters including: debit and credit cards; mortgages; stocks, mutual funds, income trusts, bonds and GICs; loans and credit; fraud; investment advice; unauthorized trading; fees and rates; transaction errors; misrepresentation; and accounts sent to collections. Where a complaint has merit, OBSI may recommend compensation up to a maximum of \$350,000.

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