



Financial Services
Commission
of Ontario



Commission des
services financiers
de l'Ontario

Ontario

Agency Business Plan

2019-2022



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Executive Summary

In accordance with the Government of Ontario's Agencies and Appointments Directive, and in anticipation of a 2019 launch of the Financial Services Regulatory Authority (FSRA), we are pleased to present the Financial Services Commission of Ontario's (FSCO's) final Agency Business Plan to the Minister of Finance.

On June 30, 2017, the Lieutenant Governor proclaimed into force the Financial Services Regulatory Authority of Ontario Act, 2016 (FSRA Act), which established the initial parameters of FSRA – a new independent regulator. FSRA has reached significant milestones since it was initially established and is expected to be implemented this year.

While FSRA works towards implementation, FSCO continues to be the financial services regulator and will take the necessary steps to carry out its legislative mandate and operations.

FSCO's mandate is to protect consumers and pension plan beneficiaries and to enhance public confidence in the sectors we regulate. Those sectors include: the insurance industry, pension plans, mortgage brokering, credit unions and caisses populaires, co-operative corporations, loan and trust companies in Ontario, and health service providers that invoice auto insurers for statutory accident benefits claims. FSCO is also responsible for the administration of the Pension Benefits Guarantee Fund (PBGF).

FSCO's priorities for 2019 remain largely unchanged from 2018, and maintain a focus on protecting consumers, enhancing confidence in the sectors we regulate and supporting the implementation of FSRA.

FSCO is committed to working with the Ministry of Finance and FSRA leadership to support FSRA's implementation.



Together with our talented and dedicated staff, we look forward to delivering FSCO's consumer-focused mandate and assisting in the government's plan to implement a new, forward-looking, flexible and self-funded regulator of the future.

Brian Mills
Chief Executive Officer and
Superintendent of Financial Services
Financial Services Commission of Ontario

Ian McSweeney
Chair
Financial Services Commission of Ontario



Mandate

The Financial Services Commission of Ontario's Legislative Mandate

The Financial Services Commission of Ontario's (FSCO's) legislative mandate is to provide regulatory services that protect the public interest and enhance public confidence in the sectors it regulates.

On June 30, 2017, the Lieutenant Governor proclaimed into force the Financial Services Regulatory Authority of Ontario Act, 2016 (FSRA Act), which established the initial parameters of the Financial Services Regulatory Authority (FSRA). FSRA's inaugural board of directors was also announced.

On December 14, 2017, Bill 177, Stronger, Fairer Ontario Act (Budget Measures), 2017 received Royal Assent, which included legislative amendments to the FSRA Act that:

- further define FSRA's statutory objects, including objects related to consumer and pension plan beneficiary protection, deterrence of deceptive or fraudulent conduct, and cooperation and collaboration with other regulators.
- give FSRA specific categories of rule making authority related to insurance, pensions, mortgage brokers, and setting fees and other charges to fund FSRA's operations.
- set out the process by which FSRA would make rules, which would involve substantial public notice and consultation.

On September 28, 2018, the Ontario Legislature proclaimed FSRA's rule-making authority under the FSRA Act.

It is anticipated that remaining amendments to the FSRA Act will come into force on a date to be named by proclamation of the Lieutenant Governor.

In the meantime, FSCO continues to make priority-driven decisions to strengthen its regulatory capabilities today and build flexibility to support the government's decisions in the establishment of FSRA.



Ensuring Compliance with the Law

FSCO's primary role is to ensure compliance with the laws governing each regulated financial services sector so that consumers and pension plan beneficiaries are protected. In order to ensure compliance, FSCO administers and enforces several statutes and corresponding regulations. FSCO develops administrative and regulatory policies and procedures to support enforcement of the law, and takes timely regulatory action to correct or terminate activities that do not comply with the law. Compliance is one of the ways that FSCO fulfills its legislative mandate.

As outlined below, FSCO regulates the financial services sectors in Ontario to ensure compliance with corresponding legislation:

Sector	Corresponding Statutes
Co-operative Corporations	<ul style="list-style-type: none">▪ Co-operative Corporations Act and Regulations
Credit Unions and Caisses Populaires	<ul style="list-style-type: none">▪ Credit Unions and Caisse Populaires Act, 1994 and Regulations
Service Providers that invoice auto insurers for statutory accident benefits claims	<ul style="list-style-type: none">▪ Insurance Act and Regulations
Insurance Companies and Agents	<ul style="list-style-type: none">▪ Insurance Act and Regulations▪ Automobile Insurance Rate Stabilization Act, 2003 and Regulations▪ Compulsory Automobile Insurance Act and Regulations▪ Prepaid Hospital and Medical Services Act▪ Motor Vehicle Accident Claims Act and Regulations
Loan and Trust Companies	<ul style="list-style-type: none">▪ Loan and Trust Corporations Act and Regulations
Mortgage Brokerages, Brokers, Agents and Administrators	<ul style="list-style-type: none">▪ Mortgage Brokerages, Lenders and Administrators Act, 2006 and Regulations
Pension Plans	<ul style="list-style-type: none">▪ Pension Benefits Act and Regulations

FSCO's approach to fulfilling its legislated regulatory responsibilities is outlined in greater detail in its [Regulatory Framework, available](#) on FSCO's website.



As of December 31, 2018, FSCO regulated or registered the following entities:

	# as of December 31, 2018	% increase/decrease compared to December 31, 2017
Insurance companies	307	-2.2%
Pension plans	6,965	-0.3%
Credit unions and caisses populaires	79	-2.5%
Loan and trust corporations	51	0.0%
Mortgage brokerages	1,221	-1.7%
Mortgage brokers	2,765	-4.2%
Mortgage agents	11,745	-9.5%
Mortgage administrators	210	7.7%
Co-operative corporations	1,740	-0.5%
Insurance agents	56,390	2.8%
Corporate insurance agencies	6,132	2.9%
Insurance adjusters	1,894	22.7%
Service providers that invoice auto insurers for statutory accident benefits claims	4,918	2.4%

Providing General Supervision of the Regulated Sectors

FSCO also has a general supervisory role that focuses on ensuring that the regulated sectors are sustainable, that consumers are treated fairly, and that pension plan beneficiaries' benefits are secure. This supervisory role includes monitoring the regulated sectors, influencing the behaviour of licensees or registrants, supporting a dynamic and innovative financial services marketplace, and providing advice and recommendations to the Ontario government. These supervisory activities form the core part of regulatory activities.



Mission

FSCO's mission, as stated in its 2018-21 strategic plan, is to be an effective regulator that protects the public interest while supporting a dynamic financial services marketplace.

Governance and Accountability

The Financial Services Commission of Ontario Act (FSCO Act) sets out a three-part structure, which includes the Commission, the Superintendent of Financial Services and staff, and the Financial Services Tribunal.

Pursuant to the Expert Advisory Panel recommendations, the government has passed the Financial Services Tribunal Act, 2017 (the "FST Act" in Schedule 17 of Bill 177). The FST Act, on a date to be named by proclamation of the Lieutenant Governor, will remove the FST from the FSCO Act and continue it as an independent tribunal with respect to proceedings arising out of Superintendent regulatory enforcement under the FSRA Act.

Commission Membership and Purposes

The Commission has four members, three of whom are appointed for a fixed term by the Lieutenant Governor in Council in accordance with the guidelines established by Ontario's Public Appointments Secretariat. The fourth member of the Commission is the Superintendent of Financial Services, by virtue of his position.

Name	Position
Ian McSweeney	Chair
Denis Boivin	Vice-Chair
Bethune Whiston	Vice-Chair
Brian Mills	CEO and Superintendent of Financial Services

The Commission is required to review and approve key planning, strategic and accountability documents, including FSCO's Agency Business Plan, Statement of Priorities and Annual Report.



Superintendent and Staff

The Superintendent of Financial Services (Superintendent) administers and enforces the FSCO Act and all other acts that confer powers on or assign duties to the Superintendent. The Superintendent is also the CEO of FSCO and is appointed under the Public Service of Ontario Act (PSOA), 2006. Under the FSCO Act, the powers and duties of the Superintendent include:

- generally supervising the regulated sectors;
- administering and enforcing the FSCO Act and every other act that confers powers on or assigns duties to the Superintendent; and
- being responsible for FSCO's financial and administrative affairs.

FSCO staff are public servants, appointed under Part III of the Public Service of Ontario Act, 2006, and report directly or indirectly to the Superintendent.

Governance and Management Processes

The foundation for FSCO's corporate governance is provided by the Management Board of Cabinet's Agencies and Appointments Directive (AAD) and the Memorandum of Understanding (MOU) between the Minister of Finance, the Chair of the Commission and the Superintendent of Financial Services/Chief Executive Officer and pursuant to the FSCO Act.

Amongst other important matters, the AAD sets out the requirements for provincial agencies, appointments and remuneration.

The MOU outlines the accountability framework between the Minister and FSCO, establishes tools for governance and accountability and explains roles, relationships and mutual expectations. A full review of the MOU is conducted in the event of a significant change to the agency's mandate, powers or governance structure. FSCO's current [MOU](#) was signed in 2016.

Financial Reporting and Accountability

As an Ontario government agency, FSCO receives an annual spending authority through the government planning process, based on needs and government priorities. FSCO files quarterly reports on its spending. The Office of the Auditor General of Ontario audits FSCO's annual financial statements.



FSCO's Audit and Risk Committee (ARC) supports the CEO/Superintendent in discharging his responsibilities related to financial affairs and risk management.

Recovering FSCO's Costs

FSCO reports to the government under Section 15 of the Financial Administration Act (FAA), which requires that, at the end of each fiscal year, FSCO's expenses equal the revenues that have been collected. FSCO recovers most of its costs from the regulated sectors through a combination of assessments and fees. Under the FSCO Act, the Lieutenant Governor in Council may assess all businesses, individuals and pension plans that form part of a regulated sector with respect to expenditures incurred by the Ministry of Finance and the Commission. The Minister of Finance establishes fees with respect to the regulated services provided by FSCO.

The government supports co-operative corporations by providing an annual allocation to help cover the costs of administering the sector.

How FSCO Fulfills the Government's Priorities

The financial services sector is Ontario's second largest industry. The economic growth and financial stability of both the province and the country depend on it. As such, the regulation of this sector, and the more than 94,000 individuals and corporations licensed or registered by FSCO, is a significant responsibility.

Using a risk-based approach to enforce legislation, FSCO maintains market confidence and financial system stability, protects consumers from unfair or harmful market practices, and mitigates potential for the use of regulated business activity for unlawful purposes. In the pensions industry, FSCO also works to encourage retirement planning, protect investments and ensure financial stability for Ontarians.

The Overview of Current and Future Programs and Activities and the Implementation Plan sections provide further details.

Agency Mandate Letter

While FSCO has not received a mandate letter for 2019, it is committed to supporting the Minister of Finance's priorities as they are established.



Strategic Direction

As the regulator of the financial services sector FSCO will meet its legislative mandate through the execution of its regulatory operations and will make priority-driven decisions to strengthen its regulatory capabilities.

FSCO's strategic plan for 2018-21 supports the organization's efforts to be an effective regulator that protects the public interest while supporting a dynamic financial services marketplace. In developing and monitoring its strategic plan, FSCO considers the external and internal environments, alignment with government priorities, continued operational effectiveness, and the potential impacts of its strategies to the public and the sectors it regulates.

In support of FSCO's overall vision, the strategic plan has three over-arching goals:

1. empower consumers and pension plan members to make informed financial decisions;
2. work within existing framework to be an agile and adaptable regulator fostering innovation in the marketplace; and
3. provide leadership in developing national approaches to improve supervision.

Our priorities for 2019 remain largely unchanged from 2018, and continue to focus on protecting consumers, enhancing confidence in the sectors we regulate and supporting the implementation of FSRA.

FSCO's chosen priorities for 2019-20 are consistent with the vision for FSRA. FSCO is committed to working with the Ministry of Finance and FSRA leadership to support FSRA's implementation. All operational decisions made this year will consider the potential impact to the implementation of FSRA.

FSCO consults on its priorities via its [Statement of Priorities](#), and reports on its achievements in its [Annual Report](#).

Major initiatives planned or underway are described in the Overview of Current and Future Programs and Activities and the Implementation Plan sections.



FSCO's 2018-21 Strategic Plan

 FSCO 2018-21 STRATEGIC PLAN		MISSION To be an effective regulator that protects the public interest while supporting a dynamic financial services marketplace	
GOALS	Empower consumers and pension plan members to make informed financial decisions	Work within existing framework to be an agile and adaptable regulator fostering innovation in the marketplace	Provide leadership in developing national approaches to improve supervision
STRATEGIC OUTCOMES 2018-19	Create greater consumer awareness and understanding of their rights and responsibilities and how to protect themselves	Be proactive with respect to industry transformation and new technologies	Achieve a higher degree of harmonization, supervisory cooperation, and jurisdictional participation
OPERATIONAL OUTCOMES 2018-19	<ol style="list-style-type: none"> 1. Invest in public education initiatives to increase financial literacy and fraud prevention 2. Develop targeted partnerships to broaden our reach and impact of education efforts 3. Identify, assess and improve the impact and effectiveness of consumer-facing tools and information 	<ol style="list-style-type: none"> 1. Reassess/realign our framework/processes, adapt and recommend adjustments 2. Equip and empower staff to develop creative solutions to support changes in the marketplace 3. Use innovative approaches based on best-practices 	<ol style="list-style-type: none"> 1. Participate in leadership roles on strategic initiatives 2. Strengthen relationships with other regulators
STRATEGIC OUTCOMES 2019-21	Apply consumer lens to all policy development and regulatory activities	Be a leader (enabler) and an influential thinker and contributor on solutions	
OPERATIONAL OUTCOMES 2019-21	<ol style="list-style-type: none"> 1. Introduce "consumer impact and considerations" requirement to all planning templates 2. Include expectation of demonstrable examples of consumer consideration in staff performance plans 3. Implement a consumer feedback/input mechanism for all major public-facing initiatives 	<ol style="list-style-type: none"> 1. Enhance services to FINTECH-enabled businesses 2. Enhance monitoring and analysis of trends/issues through engaging key stakeholder groups 	



Environmental Scan

The environment informs FSCO's strategic plan and priorities. This Environmental Scan reviews current and future environmental factors that have an impact on FSCO's operations, as well as how they may affect FSCO's ability to conduct its business. FSCO applies a risk-based approach to its work and remains committed to continually reviewing systems and processes to ensure Ontario has a strong, flexible and integrated regulator that can keep pace with change, adapt to the environment, embrace modernization, and identify and address emerging risks.

External Factors

1. The Economy

Canada was the fastest-growing economy in the G7 in 2017 with 3% growth in GDP. Increased interest rates coupled with Canada's strong economy will cause more volatility in mortgage brokerage and other financial markets, leading to market consolidation, which requires closer monitoring by FSCO.

Quantitative easing policy has been reversed in the United States of America., which raised its overnight rate three times in 2017, and four times in 2018. On December 19, 2018, the Federal Reserve trimmed the number of rate hikes they foresee for 2019, to two from four, signaling a pause of their monetary tightening campaign. FSCO should be prepared for fluctuations in mortgage brokerages, credit unions and other financial services sectors.

In addition, trade war threatens economic stability and the sectors that rely most on global growth, such as base metals, energy and construction industrial products. The new United States-Mexico-Canada Agreement (USMCA) on trade proceeds through ratification processes in all three countries and uncertainty may continue as businesses assess the implications of the agreement for their North American operations.

2. Demographics

According to Bloomberg, Gen Z (defined as people born from the mid-1990s to the early 2000s) will comprise 32 percent of the global population of 7.7 billion in 2019, nudging ahead of millennials (defined as people born from 1981 to 1996) who will count for a 31.5 percent share.



Globally, even in places where the public's perception of economic conditions have improved, the next generations seem to take a pessimistic outlook on the financial futures. Younger generations may have a different perspective on investments, which may shape the financial sector over the long run.

3. Technology and Consumer Trends

Social Media Engagement Applications like Facebook, YouTube, Twitter and Instagram continue to add capabilities to create and respond to posts from popular social networks. These capabilities are critical to organizations' ability to manage the customer experience.

Data quality issues are considered significant inhibitors to gaining value from investments in digital business and analytics, enabling an organization to address its data quality issues, and delivering fit-for-purpose information among the fastest growing enterprise infrastructure software markets.

“Cloud computing” remains one of the most publicized terms in the history of information technology. While some organizations have realized cost savings, others are focused on benefits such as agility, speed, time-to-market and innovation.

4. Regulatory Environment

There is ongoing consolidation among major market players; the traditional lines that distinguish “vertical” sectors will blur as new partnerships enable organizations to bypass traditional value chains. Regulating and establishing consistent standards for “horizontal” activities and characteristics common across all industry sectors will be critical.

The growth of the sharing economy has caused disruption in the marketplace, requiring regulators to be proactive in protecting consumers and rideshare drivers. For example, the impact of ridesharing on automobile insurance will continue to evolve and require innovative solutions and responses by all stakeholders, including FSCO.

Insurance technology (InsurTech) and more generally, financial technology (FinTech), continue to be more commonly used in the financial services industry. Businesses continue to look to increase operational efficiencies to deliver insurance products, and to improve their customer's insurance purchasing or claims experience.

In terms of Ontario's pensions sector, Defined Contribution (DC) assets now account for over 48 per cent of global pension assets, compared to approximately 41 per cent in 2006. DC assets have grown at a rate of 5.6 per cent over the past decade, compared with 2.6 per cent for Defined Benefit (DB) assets.



In Canada, catastrophic losses due to natural disasters have increased significantly over the last ten years. The Insurance Bureau of Canada (IBC) reports that for 2016, catastrophic losses accounted for approximately \$5.03 billion, which were the highest ever.

Credit unions, globally, are faced with increasing levels of competition from other credit unions, banks and non-bank financial institutions. In addition, aging membership is another challenge for credit unions around the world.

Internal Factors

1. Agencies Mandate Review

On June 30, 2017, the Financial Services Regulatory Authority of Ontario Act, 2016 established the initial parameters of the Financial Services Regulatory Authority – a new independent regulator. A number of legislative amendments to the FSRA Act have passed since the FSRA Act was initially proclaimed. Remaining amendments will come into force on a date to be named by proclamation of the Lieutenant Governor.

While FSRA targets a spring 2019 launch, FSCO remains the financial services regulator in Ontario.

2. A Plan for the People - 2018 Ontario Economic Outlook and Fiscal Review

The government's *A Plan for the People – 2018 Ontario Economic Outlook and Fiscal Review* outlines the vision of:

- Restoring Trust, Transparency and Accountability;
- Making Ontario Open for Business; and
- Respecting Consumers and Families.

The following items were outlined in the government's plan, which are directly relevant to FSCO:

- the government will support the implementation of FSRA by introducing legislative amendments, which if passed, will establish the organization as a strong and efficient regulator with more efficient and effective ways to deliver regulatory services;
- lowering auto insurance rates, ensuring fairness in auto insurance rate setting and seeking to reduce burden in the auto insurance market by conducting a review of how auto insurance rates are regulated.



Overview of Current and Future Programs and Activities

FSCO's programs and activities related to its mandate and government priorities include regulatory activities, program delivery and enabling functions. FSCO's priority projects aligned to its strategic outcomes are outlined in the Implementation Plan section.

Core Regulatory Activities

FSCO's core regulatory activities include regulatory policy and coordination, licensing and registration, filings and applications, monitoring and compliance, as well as enforcement and intervention.

FSCO regulates the following sectors: insurance industry, pension plans, loan and trust companies, credit unions and caisses populaires, the mortgage brokering sector, service providers that invoice auto insurers for statutory accident benefits claims, and co-operative corporations.

FSCO uses a consistent and comprehensive risk-based approach to regulating these seven sectors. It gathers market intelligence from the sectors in order to make evidence-based decisions and focus regulatory efforts, thereby delivering regulatory services in an efficient and effective manner.

FSCO's approach to fulfilling its legislated regulatory responsibilities is detailed in its [Regulatory Framework](#).

Regulatory Coordination

FSCO is part of a broader regulatory environment that includes other federal and provincial regulators, as well as industry and consumer stakeholders from Ontario and around the world. FSCO prioritizes cooperation among regulators, and will continue to play a leadership role in regulatory coordination. FSCO will work with other regulators to promote national approaches and regulatory harmonization where appropriate, share information across jurisdictions, and provide solutions and guidance on regulatory matters across Canada. This work supports FSCO's goal of providing leadership in developing national approaches to improve supervision.



As part of this effort, FSCO is a member of, and hosts the secretariats of the following national organizations that promote regulatory coordination and harmonization among authorities responsible for regulating pensions, insurance, and mortgage brokering:

- [Canadian Association of Pension Supervisory Authorities](#)¹ (CAPSA);
- [Canadian Council of Insurance Regulators](#)² (CCIR);
- [General Insurance Statistical Agency](#)³ (GISA);
- [Mortgage Broker Regulators' Council of Canada](#)⁴ (MBRCC); and
- [Canadian Insurance Services Regulatory Organizations](#) (CISRO)⁵.

FSCO participates in the annual meeting of the Joint Forum of Financial Market Regulators, which includes members of CCIR, CAPSA and the Canadian Securities Administrators.

FSCO is also a member of the [Canadian Automobile Insurance Rate Regulators Association](#) (CARR).

Alignment with Internationally Recognized Core Principles of Supervision

The International Association of Insurance Supervisors and the International Organisation of Pension Supervisors have published core principles for the effective supervision of the insurance and pension sectors. These core principles prescribe the essential elements of a supervisory regime that provide an adequate level of protection for policyholders and pension plan beneficiaries, and promote a financially sound insurance and pension sector. FSCO works to align its regulatory activities with these internationally recognized core principles.

Program Delivery

¹ **The Canadian Association of Supervisory Pension Authorities (CAPSA)** is a national inter-jurisdictional association of pension regulators whose mission is to facilitate an efficient and effective pension regulatory system in Canada. It develops practical solutions to further the coordination and harmonization of pension regulation across Canada.

² **The Canadian Council of Insurance Regulators (CCIR)** is an inter-jurisdictional association of insurance regulators. CCIR's mandate is to facilitate and promote an efficient and effective insurance regulatory system in Canada to serve the public interest.

³ **The General Insurance Statistical Agency (GISA)** was appointed in April 2006 to carry out the activities of a statistical agent on behalf of nine participating insurance regulatory authorities across Canada. As a federally incorporated, not-for-profit corporation, GISA provides governance, accountability and oversight of the mandated statistical information for the participating jurisdictions.

⁴ The **Mortgage Broker Regulators' Council of Canada (MBRCC)** – an inter-jurisdictional association of mortgage broker regulators in Canada. MBRCC's mandate is to improve and promote the harmonization of mortgage broker regulatory practices across Canada to serve the public interest.

⁵ **The Canadian Insurance Services Regulatory Organizations (CISRO)** is an inter jurisdictional group of regulating authorities who are dedicated to developing consistent standards of qualifications and practice for insurance intermediaries dealing in insurance of persons and property. CISRO established a pilot secretariat at FSCO in October 2017.



FSCO's responsibilities also include:

- Administering the Pension Benefits Guarantee Fund, which provides protection to Ontario members and beneficiaries of certain single-employer defined benefit pension plans in the event of plan sponsor insolvency.
- Following a review of the dispute resolution system, the Ontario government passed legislation that moved the Automobile Insurance Dispute Resolution system from FSCO to the Licence Appeal Tribunal (LAT) of the Safety, Licensing Appeals and Standards Tribunals Ontario. LAT assumed all new applications for dispute resolution services as of April 1, 2016. FSCO stopped accepting applications for mediation, neutral evaluation and arbitration as of March 31, 2016, but continues to be responsible for all remaining open files as of that date.

Enabling Functions

FSCO's regulatory activities and program delivery functions are supported by the Corporate Services, Enterprise Business Solutions, Legal Services and Strategic Communications branches. These branches are responsible for financial and resource management, procurement, general administration, strategic, operational and human capital planning, contact centre services, communications, information technology, and legal services.



Initiatives Involving Third Parties

Initiatives involving third parties, which are defined as “any party – other than the responsible ministry – with which the agency is partnering or with which it has a funding relationship,” are included in the Overview of Current and Future Programs and Activities and Implementation Plan sections. Examples include FSCO’s work with national organizations such as CAPSA, CCIR, GISA, MBRCC and CISRO. These and other initiatives allow FSCO and other regulators to keep apprised of regulatory and industry developments, and to develop and influence harmonization efforts that improve regulation across the country.

Implementation Plan

This implementation plan outlines how FSCO intends to carry out its current strategies and major initiatives. FSCO aims to provide its regulatory services seamlessly while adapting to changes internally and in the regulatory environment. Operational decisions made by FSCO will consider the potential impact to the implementation of FSRA with a view towards maintaining the greatest flexibility for the government and for FSRA as implementation progresses. Table 1 outlines FSCO-led projects supporting strategic outcomes.

Table 1: Projects

Project	Description	2019-20	2020-21	2021-22
Projects required by legislation, government direction or to maintain operations				
Compliance of <i>Accessibility for Ontarians with Disabilities Act</i> (AODA) principal in regards of forms	<ul style="list-style-type: none"> All forms posted on FSCO's website should be AODA compliant by January 1, 2021. The project is to ensure that all posted forms are in compliance by reaching Web Content Accessibility Guidelines 2.0 AA level. 	●	●	
Strategic Outcome: Create greater consumer awareness and understanding of their rights and responsibilities and how to protect themselves				
Financial Literacy Month Campaign	<ul style="list-style-type: none"> A proactive public education campaign where FSCO promotes financial literacy as part of its mandate to protect the public interest and enhance public confidence in the sectors we regulate. 	●	●	●
Fraud Prevention Month (FPM) Campaign	<ul style="list-style-type: none"> A national public awareness campaign that alerts consumers to potential frauds and aims to educate them on how to recognize, reject and report fraud. FSCO uses a proactive integrated marketing communications approach to support topics relating to fraud prevention for consumers. 	●	●	●



Project	Description	2019-20	2020-21	2021-22
Strategic Outcome: Be proactive with respect to industry transformation and new technologies				
Policy research on emerging issues in the financial services sector	<ul style="list-style-type: none"> FSCO is conducting policy research on emerging issues in the financial services sector (e.g., shadow banking, changing consumer demographics, etc.) and assessing impact on regulated sectors. 	●	●	
Fintech Outreach	<ul style="list-style-type: none"> FSCO plans on holding bi-annual Fintech Engagement Conferences designed to engage prospective new Fintech proponents. 	●	●	
Develop Behavioural Economics strategy to apply to FSCO's regulatory oversight	<ul style="list-style-type: none"> This project is to increase FSCO's knowledge and application of Behavioural Economics (BE) to the regulation of the financial services industry in Ontario. 	●	●	●
Pension Plan Classification	<ul style="list-style-type: none"> FSCO is working to enhance pension data collection and leveraging existing data from its registered pension plans by leading a national project to develop a new pension plan classification system that would provide more reliable pension plan benefit and membership data. 	●		
Strategic Outcome: Achieve a higher degree of harmonization, supervisory cooperation, and jurisdictional participation				
Canadian Association of Pension Supervisory Authorities (CAPSA) Multi-Lateral Agreement Implementation	<ul style="list-style-type: none"> This project is to manage and coordinate the implementation of a new agreement to establish clear rules for the administration and regulation of multi-jurisdictional pension plans. 	●		
Canadian Council of Insurance Regulators (CCIR) Cooperative Supervisory Oversight	<ul style="list-style-type: none"> FSCO works with other CCIR members coordinate simultaneous thematic and insurer-specific reviews across jurisdictions, to ensure that insurance customers are being treated fairly throughout the country 	●		



Project	Description	2019-20	2020-21	2021-22
Canadian Council of Insurance Regulators (CCIR) Working Groups on Regulatory Harmonization	<ul style="list-style-type: none"> ▪ The Working Group is responsible for identifying and recommending areas that may benefit from increased regulatory consistency. 	●		
Canadian Council of Insurance Regulators (CCIR) Segregated Funds Working Group	<ul style="list-style-type: none"> ▪ The Working Group is responsible for facilitating a harmonized implementation of the CCIR Position Paper recommendations by each jurisdiction and work with life insurance industry to address issues related to segregated funds regulation. 	●	●	



Performance Measures

FSCO measures success against its overarching mandate of providing regulatory services that protect the public interest and enhance public confidence in the regulated sectors. Key indicators of success can be found in FSCO’s evaluation of targeted industry compliance, consumer and licensees satisfaction, communications to consumers and licensees, consumer complaints resolution, and adherence to FSCO and OPS service standards.

FSCO performance measures and targets are monitored, reported and tracked on an annual basis, and updated as needed. Where targets are not met, remediation plans are established.

FSCO’s current performance measures are provided in Table 2. The performance measures and results are available on [FSCO’s website](#).

Table 2: FSCO’s Performance Measures

Measure	Definition	2019-20 Target
Service Standard Performance	% of complete and compliant DB Pension Applications reviewed and approved in accordance with timeliness standards.	
	▪ Surplus 150 business days	100%
	▪ Wind up 120 business days	100%
	▪ Transfer of assets 120 business days	100%
	▪ Refund of employer overpayment 90 business days	100%
	▪ Refund of member contributions 60 business days	100%
	% of complete and compliant DC Pension Applications reviewed and approved in accordance with timeliness standards.	
	▪ Surplus 120 business days	100%
	▪ Wind up 60 business days	100%
	▪ Transfer of assets 60 business days	100%
	▪ Refund of employer overpayment 60 business days	100%
	▪ Refund of member contributions 30 business days	100%
	Targeted Industry Compliance	
	▪ Compliance with prescribed timelines for Pensions Annual Information Returns (AIRs)	95%
▪ Compliance with prescribed timelines for AIRs in Health Service Providers sector	95%	



Measure	Definition	2019-20 Target
	<ul style="list-style-type: none"> ▪ Compliance with prescribed timelines for AIRs in Mortgage Broker sectors 	95%
	% of complete applications for Private Passenger Auto Insurance Rate and Risk Classification Filings approved in accordance with timeliness standards.	
	<ul style="list-style-type: none"> ▪ Simplified Filings within 30 days 	90%
	<ul style="list-style-type: none"> ▪ Standard Filings within 45 days 	90%
	<ul style="list-style-type: none"> ▪ Comprehensive Filings within 60 days 	90%
	<ul style="list-style-type: none"> ▪ Complex Filings within 90 days 	90%
	Applications for Third Party Liability Claims	
	<ul style="list-style-type: none"> ▪ Accurately completed Form 1 (payment under section 7) applications will be reviewed and processed within 20 days 	85%
	Licensing & Registration	
	<ul style="list-style-type: none"> ▪ Electronic applications for new and renewal Insurance Agent licences that are complete and meet all requirements will be reviewed and approved within 5 business days. 	100%
	<ul style="list-style-type: none"> ▪ Insurance Companies-Approval of an Independent Variable Insurance Contract (IVIC) submission within 30 days of receipt 	100%
	Sectoral Complaints	
	<ul style="list-style-type: none"> ▪ Complaints regarding one of the sectors regulated will be acknowledged within 5 business days 	100%
	<ul style="list-style-type: none"> ▪ Complaints regarding one of the sectors regulated to be concluded in 150 days 	90%
	<ul style="list-style-type: none"> ▪ Complaints regarding one of the sectors regulated to be concluded in 365 days 	98%
Quality Service Complaints		
<ul style="list-style-type: none"> ▪ Complaints received in writing or through FSCO's website where a reply is requested and contact information has been provided will be acknowledged within 5 business days 	100%	



Measure	Definition	2019-20 Target
	<ul style="list-style-type: none"> ▪ Complaints received in person or by telephone where a reply is requested and contact information has been provided will be acknowledged within 2 business days 	100%
	<ul style="list-style-type: none"> ▪ Complaints will be concluded within 15 business days of receipt 	100%
	Common Service Standards	
	<ul style="list-style-type: none"> ▪ All calls will be answered by the third ring during core business hours or directed to voicemail. 	100%
	<ul style="list-style-type: none"> ▪ All calls will be returned by the next business day 	100%
	<ul style="list-style-type: none"> ▪ Correspondence will be answered within 15 business days of receipt 	100%
	<ul style="list-style-type: none"> ▪ If a conclusive response is not possible within the standard time, an interim acknowledgement will be provided within 5 business days of receipt 	100%
	Examinations	
	<ul style="list-style-type: none"> ▪ Final examination reports will be issued within 30 business days of the completion of a routine examinations 	95%
	Website Response	
	<ul style="list-style-type: none"> ▪ All inquiries directed to the Web Manager e-mail account will be concluded and/or responded to within 5 business days. 	100%
	Accessible Formats	
	<ul style="list-style-type: none"> ▪ FSCO will respond within 5 business days to a requestor of web content in accessible format. Following discussions with the requestor, FSCO will provide agreed-upon web content (excluding online applications), in an accessible format within 5 business days. 	100%



Measure	Definition	2019-20 Target
	<ul style="list-style-type: none"><li data-bbox="418 359 1097 569">▪ FSCO will respond within 5 days to a requestor of print publication in an accessible format. Following discussions with the requestor, FSCO will provide agreed-upon publication material in an accessible format within 5 business days.	100%

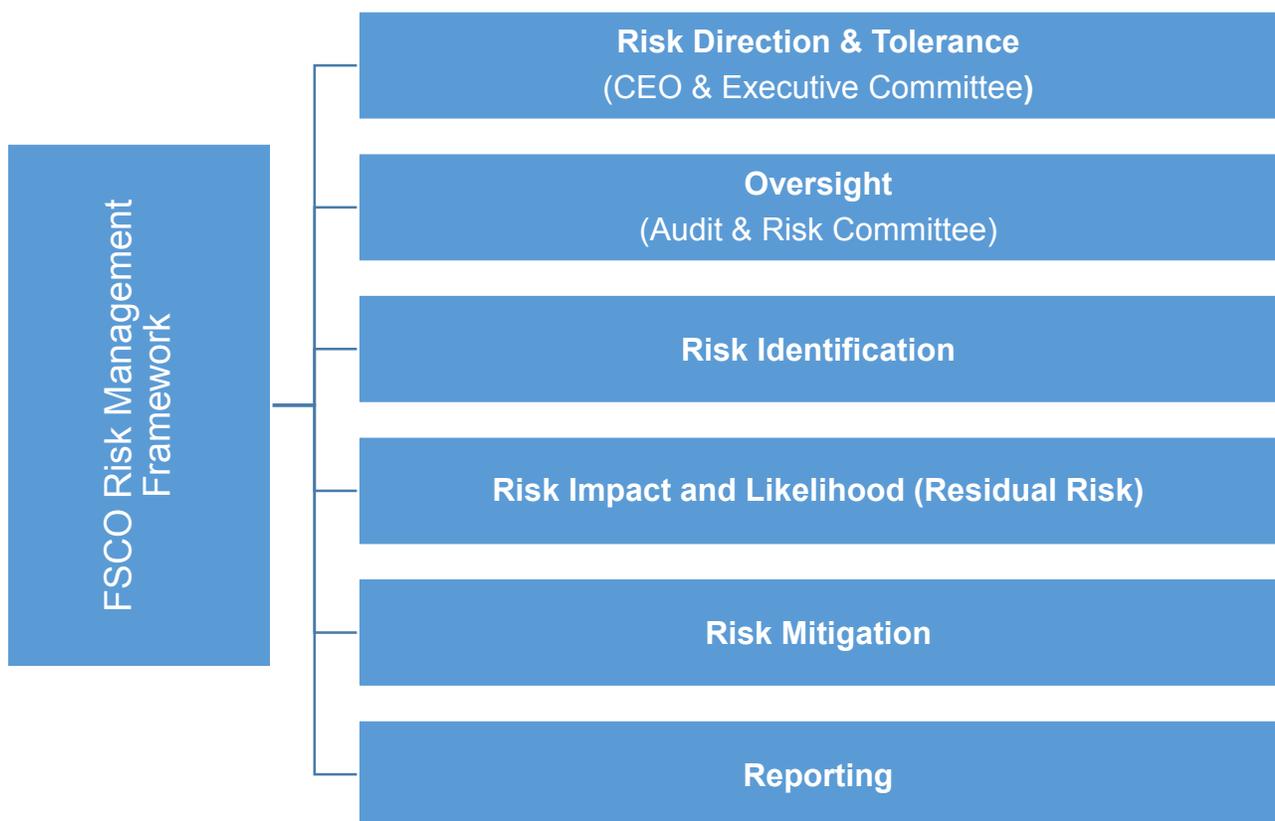
Risk Identification, Assessment and Mitigation Strategies

In accordance with FSCO’s Risk Management Framework, FSCO conducts semi-annual risk reviews and an annual risk assessment. FSCO evaluates risk at a corporate level through its nine corporate risk categories and these are aligned to the OPS risk categories.

Risk Management Framework

FSCO’s risk management practices are governed by its Risk Management Framework, summarized in Figure 1. The purpose of the framework is to create structure to ensure risk is managed in a timely manner and at the appropriate level, and is well-aligned with the OPS risk management and reporting processes.

Figure 1





Residual Risk Assessment

FSCO has nine corporate risk categories. These risk categories correspond with the Ontario Public Service's six risk categories, as required by the Agencies and Appointments Directive. Individual risk rating is based on a residual risk assessment taking into consideration controls and the status of action plans. All individual risk assessments are rolled up under their associated corporate risk category. FSCO conducts a residual risk assessment at the corporate risk category level resulting in an overall residual risk rating. (Residual risk is the risk that remains after all mitigating controls have been considered.) Based on current risk tolerances, FSCO has one high residual risk and one medium residual risk, as outlined in Table 3.

Table 3: 2018-19 Residual Risk Assessment

#	Corporate Risk Category	OPS Risk Category	2019-20 Residual Risk	Corporate Risk Mitigation Strategy
1	Ineffective financial management (including procurement)	Delivery/Operational	Low	Continue to modify FSCO's financial management practices to keep pace with financial management best practices. Particular focus is on expenditures in our fee-based sectors where unanticipated regulatory activity is required.
2	Ineffective corporate governance and oversight of internal operations	Delivery/Operational, Timeline	Low	Continue to document and monitor internal processes, respond to audit and government recommendations, and improve oversight of operations using international regulatory best practices.



#	Corporate Risk Category	OPS Risk Category	2019-20 Residual Risk	Corporate Risk Mitigation Strategy
3	Unable to make use of the existing information technology tools in a cost-effective manner	Delivery/ Operational	High	<p>A number of the existing hardware and application systems are end-of-life and overdue for modernization. As part of its due diligence, FSCO had the Internal Audit Service of the Ministry of Finance (FAST) conduct an operational review of FSCO's IT Unit. FAST, in its July 2017 Report, stated that System unavailability or failure is a significant recognized risk within FSCO and could potentially impact the programs and services required by its mandate. The FAST Report rated the situations as a high risk.</p> <p>FSCO has updated its 3-Year Information Technology Plan to mitigate this risk. The 3-Year Plan provides a clear list of activities that are executable and measurable to ensure that the systems and infrastructure that FSCO staff and stakeholders rely on continue to be supported.</p> <p>FSCO will continue to modify the 3-Year Plan as appropriate to respond and to complement the transition plans of FSRA.</p>



#	Corporate Risk Category	OPS Risk Category	2019-20 Residual Risk	Corporate Risk Mitigation Strategy
4	Lack of skills and capacity, and ineffective use of human resources to carry out FSCO's mandate	Delivery/ Operational	High	<p>FSCO's ability to recruit and retain staff has been affected by the Ontario Public Service' hiring freeze and the uncertainty of FSRA implementation.</p> <p>FSCO has updated its Human Capital Plan to mitigate this risk.</p> <p>The plan will evolve as decisions are made regarding the establishment of FSRA.</p>
5	Ineffective stakeholder and public communication engagement	Stakeholder/ Perception	Low	Continue to seek, evaluate and respond to public and stakeholder input. FSCO will continue to increase its transparency and communication of core regulatory functions.
6	Insufficient business intelligence & failure to be proactive with marketplace policy	Policy	Low	Expand upon current business intelligence mechanisms with stakeholders, other regulators, and the market to acquire and integrate information into FSCO's regulatory decision-making activities.
7	Inadequate PBGF funding	Financial	Low	Continue to conduct rigorous reviews to ensure only legitimate claims are paid. Conduct quarterly reviews of cash-flow analysis and projections and alert the government of funding issues.
8	Ineffective strategic and operational planning	Delivery/ Operational	Low	Continue to implement processes to ensure alignment with FSCO's mandate and strategic direction. Continue to work with the Ministry of Finance on supporting the implementation of FSRA.



#	Corporate Risk Category	OPS Risk Category	2019-20 Residual Risk	Corporate Risk Mitigation Strategy
9	Ineffective protection of FSCO Resources	Delivery/Operational	Low	Continue to assess and monitor business operations to identify potential threats to safety, security and business continuity.



Resources Required to Achieve Outcomes

This section summarizes the resources FSCO has to carry out its mandate.

Financial Outlook

FSCO reports to the government under Section 15 of the Financial Administration Act (FAA), which requires that, at the end of each fiscal year, FSCO's expenses are equal to the revenues that have been collected.

An annual spending authority, operating budget appropriation and a capital asset appropriation are requested by FSCO through the Ministry of Finance and the government's Multi-Year Planning (MYP) exercise.

Spending Authority Outlook

Table 4 provides FSCO's spending authority outlook by major expense type, as well as the number of full-time staff, which are referred to as Full-Time Equivalents (FTEs). The outlook figures, starting in 2019-2020 and onwards, represent spending authority amounts requested by FSCO through the provincial budget planning cycle and are, therefore, tentative until approved by the Legislature.

FSCO's total for FTEs does not include legal services staff, as they are employees of the Ministry of the Attorney General. These staff play a significant role in helping FSCO discharge its regulatory responsibilities, particularly in the areas of litigation and enforcement. FSCO's 2018-19 spending authority for legal staff costs is \$5,756,610. The 2019-20 spending authority request for legal staff is \$6,031,400.



Table 4: FSCO's 2019-22 FTE Cap & Spending Authority Outlook by Major Expenditure Type (\$000)

Expenditure Type	Average % Change Year-over-Year for 2019-22	Requested	Requested	Requested	2019-20	2020-21	2021-22
		2019-20 (\$000)	2020-21 (\$000)	2021-22 (\$000)	over 2017-18	over 2018-19	over 2019-20
FTEs ^[1]		441.33	0.00	0.00			
Salaries & Wages	-33.33%	41,182.50	0.00	0.00	0.00%	-100.00%	0.00%
Benefits	-33.33%	10,020.80	0.00	0.00	0.00%	-100.00%	0.00%
Total Salaries & Benefits	-33.33%	51,203.30	0.00	0.00	0.00%	-100.00%	0.00%
Transportation & Communication	-36.01%	896.10	0.00	0.00	-8.03%	-100.00%	0.00%
Services	-35.48%	24,990.70	0.00	0.00	-6.44%	-100.00%	0.00%
Supplies and Equipment	-37.42%	380.80	0.00	0.00	-12.26%	-100.00%	0.00%
Total ODOE^[2]	-35.53%	26,267.60	0.00	0.00	-6.58%	-100.00%	0.00%
Total Operating Expense	-34.11%	77,470.90	0.00	0.00	-2.33%	-100.00%	0.00%
Amortization	83.35%	4,470.45	0.00	0.00	350.04%	-100.00%	0.00%
Other (Bad Debt)	-33.33%	1.00	0.00	0.00	0.00%	-100.00%	0.00%
Total Expense	-32.66%	81,942.35	0.00	0.00	2.02%	-100.00%	0.00%
Recoveries	-31.97%	(79.6127)	0.0000	0.0000	4.09%	-100.00%	0.00%
Net Operating (Expenses)/Revenues^[3]	-46.39%	2,328.60	0.00	0.00	-39.18%	-100.00%	0.00%

[1] FTEs = the number of full-time equivalent staff that are employed by FSCO, excluding MVACF

[2] Total ODOE = Total other direct operating expenditures

[3] FSCO has an annualized budget appropriation line of \$2,328,600 providing for non-recoverable expenditure items (regulation of the Co-operative Sector and year-end Accounts Receivable). FSCO had requested and received approval for an additional \$1,500,000 budget appropriation for 2018-19 from the central agency to support the increased cost due to increasing regulatory work for non-compliance in mortgage brokering sector.



Budget Appropriation Outlook

FSCO recovers the majority of its expenses through a combination of fees, assessments of the regulated sectors and through internal recoveries. However, a voted operating appropriation is required to cover expenses that are not recovered from the regulated sectors and to offset year-end accounts receivable balances to ensure compliance with Section 15 of the FAA. Table 5 provides details on FSCO’s budget appropriation outlook for the next three years.

**Table 5: FSCO’s 2019-22 Budget Appropriation Outlook
(\$000)**

	2019-20 (\$000)	2020-21 (\$000)	2021-22 (\$000)
Co-operatives Sector Support	340.00	0.00	0.00
Offset for Uncollected Accounts Receivable, Section 15	1,988.60	0.00	0.00
Total:	2328.60	0.00	0.00

Co-operative Sector Support

Since 1998, FSCO has received a budget appropriation to cover the cost of regulating the co-operatives sector. Even though this sector generates some revenue through fees, the government has recognized that the co-operative sector is incapable of bearing the full burden of the cost of regulation and has subsidized this sector through a budget appropriation.

Accounts Receivable Shortfall

FSCO receives an annual interim spending authority under Section 15 of the FAA to cover operating expenditures that are subsequently recovered from the regulated sectors through fees and assessments. One of the requirements of this interim authority is that all of FSCO’s operating costs to regulate the sectors must be recovered within the same fiscal year.

Over the years, FSCO has established control processes to ensure that regulated sector companies settle their invoices before the books are closed for the year. However, there is a time lag between the issuance of FSCO’s final assessment notices and the receipt of revenues to coincide with the close of the books at fiscal year-end. The appropriation of \$1,988,600 is required each fiscal year to cover the risk of not collecting all accounts receivables before the books are closed for the year.



Capital Assets Outlook

**Table 6: FSCO's 2019–22 Capital Assets Outlook
(\$000)**

Asset Type	Requested	Requested	Requested
	2019-20 (\$000)	2020-21 (\$000)	2021-22 (\$000)
IT Hardware	550.00	0.00	0.00
Enterprise Development Program (EDP)	0.00	0.00	0.00
Total:	550.00	0.00	0.00

IT Hardware

FSCO's base budget appropriation for IT hardware is \$550,000.

Enterprise Development Program (EDP)

In October 2016, the Ministry of Finance asked FSCO to defer all major IT capital investments on EDP until the new FSRA Board (Chair) was appointed and had an opportunity to agree or to direct the approach.

FSRA has established its strategy on major IT capital investments and has determined that the EDP approach will not be pursued. As a result, work on the EDP project has ceased.

FSCO has \$6.5892M in unutilized capital funding related to the EDP project, which will be released at the end of FY2018-19.



Human Capital Plan

FSCO’s human capital plan supports the organization in achieving its goals and strategic outcomes. In a changing environment, FSCO’s human capital plan is focused on building resiliency to be an agile and adaptable regulator pending the establishment of FSRA. The attraction, engagement, development and retention of FSCO’s talented and dedicated staff are central to the organization’s ability to deliver its mission.

Key Human Resource Issues

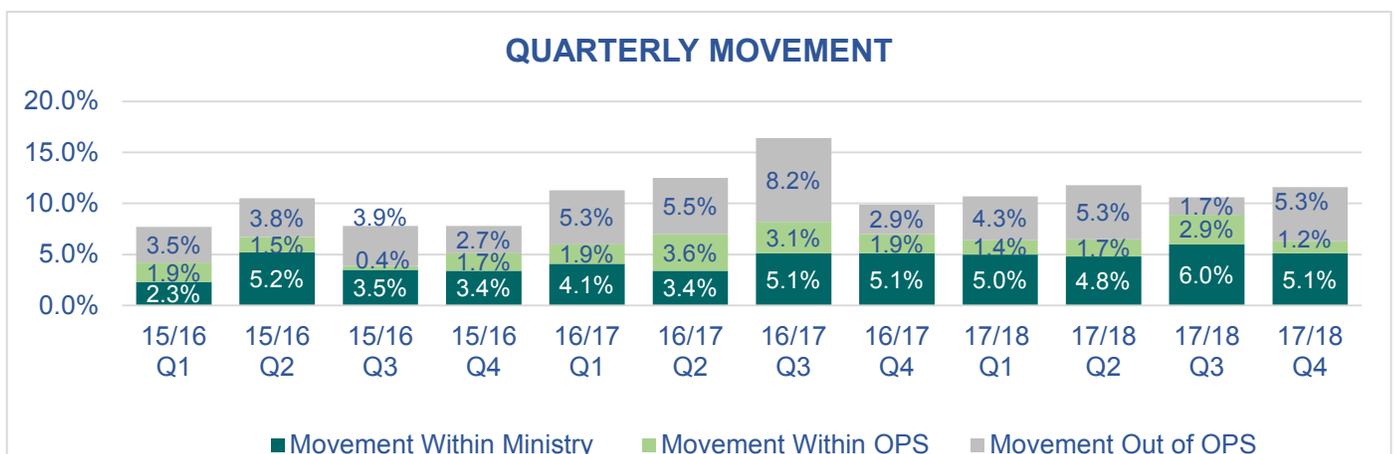
In 2018-19, FSCO’s number of FTEs was 470, including 27 FTEs in the Motor Vehicle Accident Claims Fund (MVACF). As of April 1, 2019, MVACF will be administered by the Ministry of Government and Consumer Services.

Issues that continue to impact FSCO’s human resources include changing demographics (for example, an aging workforce), staffing and compensation constraints (note: FSCO follows the OPS compensation strategy), and organizational changes, including the government’s decision to establish FSRA.

Workforce data and regular employee surveys help to inform human capital programs and activities.

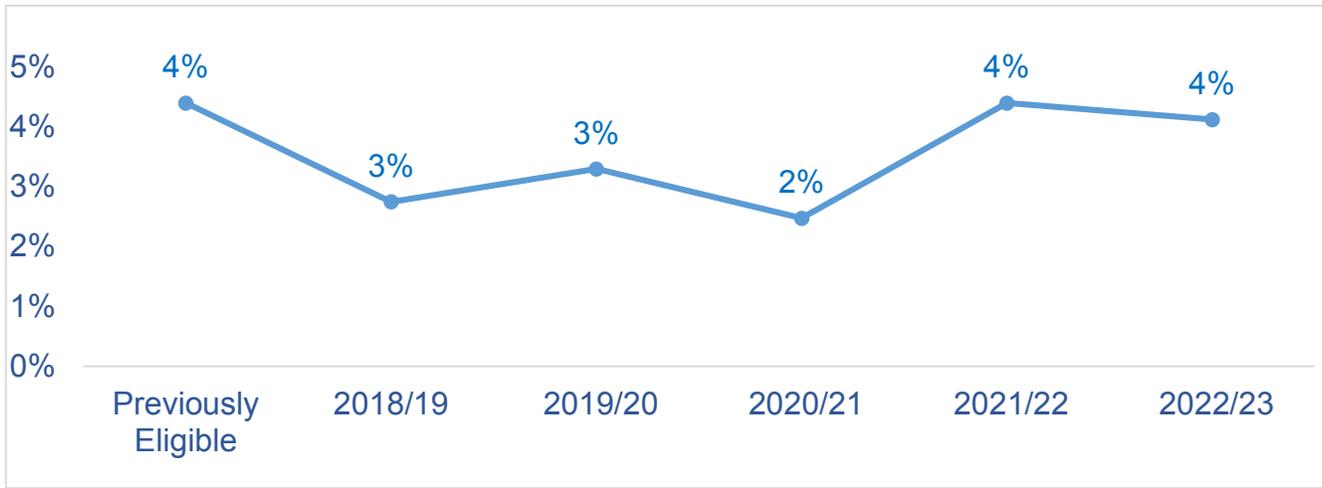
Movement

FSCO’s average quarterly movement rate in 2017-2018 was 12.5 per cent, a decrease of 1.4 per cent compared to 2016-2017. (Note: Movement includes movement within FSCO and the Ministry of Finance, movement elsewhere within the OPS, and movement out of the OPS, including retirement.)



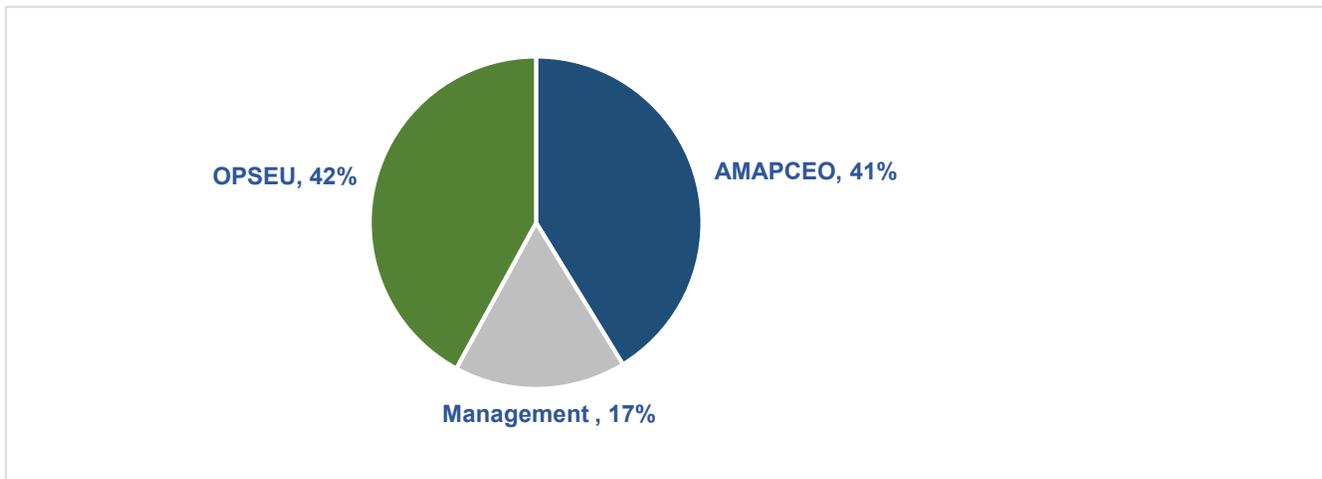
Estimated Retirement Eligibility

Over the next five years, 20 per cent of FSCO’s workforce will be eligible to retire. On average, 4% per cent of FSCO’s workforce is eligible to retire each year for the next five years.



Staff Size by Compensation Group

There is almost equal representation of Ontario Public Service Employees Union (OPSEU) members and the Association of Management, Administrative and Professional Crown Employees of Ontario (AMAPCEO) members.



Human Capital Plan Priorities

FSCO's strategic plan and the establishment of FSRA help to inform the human capital priorities. The related activities are intended to build the resiliency needed to be an agile and adaptable regulator.

Table 7: Human Capital Priorities

Priority Areas	Examples of Activities	2019-20	2020-21	2021-22
Workforce Planning	<ul style="list-style-type: none"> Strengthen capacity and continue to use available data to inform decision-making 	●	●	●
Employee Experience	<ul style="list-style-type: none"> Continue to enhance and deliver engagement, inclusion, onboarding and recognition programs, and utilize regular employee surveys to help inform priorities 	●	●	●
Corporate Learning	<ul style="list-style-type: none"> Deliver learning programs based on identified learning priorities 	●	●	●
Talent and Succession Management	<ul style="list-style-type: none"> Support retention and succession strategies 	●	●	●
HR Controllershship	<ul style="list-style-type: none"> Continue to monitor HR actions for trends, consistency and compliance 	●	●	●
Change Management	<ul style="list-style-type: none"> Develop resiliency now and in anticipation of future changes 	●	●	●

FSCO's human capital plan will continue to evolve as FSCO implements its new strategic plan and decisions are made regarding the establishment of FSRA.



Information Technology (IT) Plan

The Enterprise Business Solutions (EBS) Branch is responsible for FSCO's business systems development, computer networks, internet services, telephone communications and project management needs. These services are crucial to the delivery of services that FSCO provides to both consumers and the regulated sectors.

IT Priorities

The majority of FSCO's key legacy systems in the Licensing and Market Conduct Division, Pension Division, and Automobile Insurance Division are running on platforms that are no longer supported (e.g., FoxPro) and are currently at a high risk of potential failure, as noted in the Finance Audit Service Team (FAST) – IT Audit Report issued to FSCO in July 2017.

In response to the FAST Recommendations and Observations, during this interim transitional period that continues until FSRA is fully implemented, FSCO's EBS Branch has developed an IT 3-Year Plan. EBS has updated the 3-Year Plan to respond to five identified priorities that will benefit the sectors that FSCO regulates:

1. Infrastructure Renewal;
2. Enhancing Enterprise Information Management (EIM) Governance and Practices;
3. Enhancing Enterprise Business Architecture Governance and Practices;
4. Reducing reliance on fees-for-service consultants; and
5. The ALARM (Legacy Risk Mitigation) Project.

One of the key components of the IT 3-Year Plan is the ALARM (Legacy Risk Mitigation) Project, which would pilot test back-up systems on the MS Dynamics platform. In the event of legacy system failure, these back-up systems will be activated to minimize the impact on FSCO's data and lessen downtime to FSCO's business operations.

In light of the Ministry of Finance's decision to put on hold major IT capital investments in FSCO technology software and hardware infrastructure until the establishment of FSRA, FSCO's approach to IT is to ensure that systems continue to operate pending decisions taken by the FSRA Board (the "Board"), and that FSCO actions and decisions today will not bind the Board's choices in determining the overall future IT strategy of the new regulatory authority.

FSCO is working with the Board to implement various initiatives required for the establishment/transition of IT systems to FSRA. In particular, FSCO is contributing resources to facilitate the configuration of FSRA’s back office software and to deploy a disaster recovery solution. FSCO will continue to work with the Board to develop implementation plans for any additional IT requirements FSRA may require prior to launch.

IT Implementation Plan

Table 8 provides a list of IT initiatives, subject to approval, that are related to FSCO’s IT priorities, as well as a high-level implementation timeline.

Table 8: IT Implementation Plan

Name of Priority	Initiatives	Implementation Timeline		
		2019-20	2020-21	2021-22
Infrastructure Renewal	<ul style="list-style-type: none"> ▪ Refresh Network Switches ▪ Refresh Storage Area Network ▪ Refresh Telephony ▪ Implement IT Service Management SaaS Solution ▪ Establish Disaster Recovery Solution ▪ Refresh Secure Email Gateway 	●	●	●
Enhance Enterprise Information Management (EIM) Governance and Practices	<ul style="list-style-type: none"> ▪ Define mandate of an Information and Data Governance Council (IDGC) ▪ Establish EIM Governance Model ▪ Finalize IDGC Members ▪ Define EIM Vision, Strategy and Roadmap 	●	●	●



Name of Priority	Initiatives	Implementation Timeline		
		2019-20	2020-21	2021-22
Enhance Enterprise Business Architecture (EBA) Governance and Practices	<ul style="list-style-type: none"> ▪ Define mandate of the Enterprise Business Architecture Working Group ▪ Establish EBA Governance Model ▪ Finalize EBA Working Group Members ▪ Deliver artifacts for current EBA 	●	●	●
Reduce reliance on fees-for-service (FFS) consultants	<ul style="list-style-type: none"> ▪ Complete Applications Section Skill Gaps Analysis ▪ Staff up the Applications Section ▪ Define Knowledge Transfer Plan to transfer knowledge from FFS consultants to staff 	●	●	●
ALARM (Legacy Risk Mitigation) Project	<ul style="list-style-type: none"> ▪ Risk mitigation through pilot testing back-up systems on the MS Dynamics platform for at-risk legacy systems ▪ Master Data Management Package Implementation ▪ Test Automation Tool Implementation Project 	●	●	●



Communications Plan

FSCO's communications plan continues to focus on improving the way we communicate with consumers, pension plan beneficiaries, licensees and industry stakeholders in a way that produces measurable, demonstrable results. At the same time, it acknowledges the need for flexibility to adjust to any government decisions regarding the future of financial services regulation in Ontario.

One of the three pillars of FSCO's new strategic plan emphasizes the need to empower consumers and pension plan members to make informed financial decisions. To support this goal, FSCO will aim to reach a greater number of Ontarians on a variety of topics related to financial literacy and fraud prevention in our regulated sectors. Building on the success of previous campaigns, FSCO will continue its partnerships with regulators and organizations across Ontario and Canada, working together to improve outcomes for financial services consumers and pension plan beneficiaries.

In support of FSCO's overall mission to protect the public interest while supporting a dynamic financial services marketplace, FSCO will use behavioural insights techniques to help increase awareness about actions that can be taken by consumers to protect themselves while increasing compliance among regulated entities. For example, while existing products and channels such as bulletins, e-newsletters, symposia, and meetings will remain key to FSCO's communications strategy, additional digital tools such as videos and an increased presence on social media channels will continue to be used.

Finally, FSCO remains committed to the Ontario Public Services' journey towards creating a barrier-free and accessible Ontario by 2025. Work is ongoing to ensure all online documents and forms are made available in accessible and usable formats, in accordance with the Accessibility for Ontarians with Disabilities Act by January 1, 2021.

Communications Initiatives

Table 9 provides an overview of the key communications initiatives FSCO is planning for 2019-2022, over and above the regular business communications that will occur in support of FSCO's regulatory activities and programs.

Table 9: Communications Initiatives

Communications initiative/project	Activities	2019-20	2020-21	2021-22
Anti-Fraud Consumer Education and Engagement	<ul style="list-style-type: none"> ▪ Promote FSCO’s anti-fraud resources through FSCO’s social media accounts on an ongoing basis. ▪ Co-host live Twitter chats (#Fraudchat) with provincial and national stakeholder partners to raise awareness of anti-fraud resources. 	●	●	●
	<ul style="list-style-type: none"> ▪ Participate in Fraud Prevention Month on an annual basis and run a proactive integrated marketing communications campaign to support different topics relating to fraud prevention for consumers. 	● (March)	● (March)	● (March)

Communications initiative/project	Activities	2019-20	2020-21	2021-22
Financial Literacy Consumer Education and Engagement	<ul style="list-style-type: none"> ▪ Participate in Financial Literacy Month on an annual basis by launching broad reaching education campaigns. ▪ Look for additional opportunities to promote financial literacy, capitalizing on established third-party, consumer-focused campaigns (e.g., Cyber Security Month, Emergency Preparedness Week). ▪ Co-host Twitter chats (#FinLitChat) with provincial and national stakeholder partners to raise awareness of financial literacy resources. 	●	●	●
FSCO Website Enhancements	<ul style="list-style-type: none"> ▪ Ensure FSCO's website is Web Content Accessibility Guidelines (WCAG) 2.0 Level AA compliant. 	●	●	
	<ul style="list-style-type: none"> ▪ Explore the use of new digital media tools and resources to provide licensees the tools and information they need to comply with legislation, and help consumers make educated decisions about their financial well-being. 	●	●	

Communications initiative/project	Activities	2019-20	2020-21	2021-22
AODA Compliant and Fillable Forms	<ul style="list-style-type: none"> ▪ Ensure all forms posted on FSCO's website meet AODA standards. ▪ Transform select forms, where appropriate, into fillable smart forms for ease of use. 			