

## Complaint Processing in the Financial Sector: Consumer Accessibility

*Executive summary*  
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Surveys indicate that there are few problems between consumers and financial institutions, but that consumers are dissatisfied with financial institutions. Why? The reason is probably that consumers don't complain or don't report the problems they encounter. Why? Are consumers aware of the financial institutions' complaint processing services? Are the services accessible?

It's essential that consumers know their rights and have the means to defend them if they feel wronged. The financial institutions have set up complaint processing mechanisms, but consumers' ignorance or negative perception of the processes may well limit their access to those services or prevent them from using the latter. It's important to identify the access problems that consumers may encounter regarding complaint processing services and to propose correctives.

The present study identifies and examines complaint processing services in the banking sector, discusses the issues surrounding those services, and suggests solutions for maximizing the accessibility and effectiveness of complaint processing services in the banking sector.

The first chapter draws a general portrait of dispute resolution services in Canada's financial institutions and examines consumers' motives for using those services. The first chapter includes examples of complaint processing procedures established in financial institutions abroad.

The second chapter presents in detail the various services available for processing consumer complaints about their financial institutions. This chapter examines the services provided by the financial institutions, then by the ombudsmen of financial institutions, credit cooperatives and credit unions, and finally by the Ombudsman for Banking Services and Investments (OBSI) and the Autorité des marchés financiers (AMF). The second chapter also focuses on various other players: the Financial Consumer Agency of Canada and the Financial Services OmbudsNetwork.

Throughout the first and second chapters, we present the results of an online survey investigating consumers' reasons for complaining to their financial institution, their knowledge of the various dispute resolution services, and their satisfaction with those services.

Our survey demonstrates, notably, that a majority of consumers aren't aware of the complaint processing procedures of financial institutions, nor the organizations that offer a complaint processing service.

The third chapter examines various solutions for ensuring that such consumer services are accessible and effective.

### *La force d'un réseau*

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Our research demonstrates shortcomings in the banking sector's publicizing of information about complaint processing services and in the effectiveness of those services.

The report closes with a list of recommendations for ensuring that complaint processing mechanisms are better publicized in order to improve consumer access. Other recommendations aim to improve complaint processing mechanisms in order to better satisfy consumers who complain following a dispute with their financial institution.

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French version available on our website.

The present document summarizes a research report published by the Union des consommateurs in 2009 as part of a research project funded by Industry Canada's Office of Consumer Affairs. This report is available in French on our website.