

**Financial and Consumer Affairs Authority
of Saskatchewan**

**Strategic Plan
2018 - 2021**

Vision

A well-functioning Saskatchewan marketplace that inspires public confidence.

Mission

Financial and Consumer Affairs Authority (FCAA) promotes confidence by regulating and educating Saskatchewan's marketplace.

Regulatory Principles

FCAA strives to adhere to the following regulatory principles when administering the rules, providing advice or pursuing solutions.

- **Accessibility.** FCAA is open, available, and approachable by consumers and those it regulates.
- **Accountability.** All who are regulated are held to account by FCAA if they do not comply with the rules.
- **Consultation.** FCAA consults those who may be affected by a proposed regulatory change.
- **Cooperation.** FCAA works with regulators in other jurisdictions, self-regulatory organizations, and other entities which share responsibility for market confidence to achieve regulatory efficiency and effectiveness.
- **Equipping Suppliers and Consumers.** FCAA provides tools and information that help suppliers and consumers understand their responsibilities, rights and remedies.
- **Flexibility and Discretion.** Recognizing there are many possible solutions, FCAA exercises its discretion to achieve the most practical and affordable solutions that achieve the intended objective without compromising consumer protection.
- **Harmonization.** FCAA seeks to harmonize rules and systems across sectors and jurisdictions to the greatest extent possible.
- **Proportionate Regulation.** When developing and applying rules, FCAA considers the cost of compliance and the intended results. FCAA's actions are proportionate to the risk posed and focus on addressing risks the marketplace is unable to adequately address on its own.
- **Transparency.** FCAA develops understandable rules that are easy to access. When appropriate, it provides explanations and communicates its decisions.

Values

These values guide our decisions, conduct, and actions as we work towards the vision and mission:

- **Collaboration.** FCAA employees work together internally and with those who are regulated to deliver the best possible solution.
- **Decisiveness.** FCAA employees make clear, timely and responsible decisions.
- **Fairness.** FCAA employees are impartial and unbiased in their decision making. Those in similar situations receive consistent treatment.
- **Initiative.** FCAA empowers its staff. FCAA encourages staff innovation and continuous improvement of business processes and service provision.
- **Openness.** FCAA employees share information and listen receptively. FCAA employees encourage understanding of and involvement in decision making.
- **Professionalism.** FCAA employees exhibit competency as well as a positive and businesslike manner in the workplace.
- **Recognition.** FCAA recognizes results achieved by its employees.
- **Respect.** FCAA employees treat everyone with courtesy, dignity and empathy.
- **Service.** FCAA employees provide quality and timely service by understanding and addressing the needs of stakeholders.
- **Work/life balance.** FCAA recognizes and accommodates employees' needs to balance their responsibilities and interests outside of work with meeting the increasing demands of the workplace.

Strategic Action Items for 2018-21

Goal 1: Establish and support effective rules for Saskatchewan's marketplace.

FCAA makes or supports changes to legislation, regulations and policies (the rules) to reflect evolving market requirements, increase harmonization with other Canadian jurisdictions and remove unnecessary regulatory burden for both those regulated and the regulators.

Continue to develop and implement, with other participating jurisdictions, uniform provincial legislation and regulations in support of the Cooperative Capital Markets Regulatory System.

Continue to implement *The Insurance Act* and *The Insurance Regulations*, including:

- development of all forms, processes and guidelines to allow for proclamation of the new Act; and
- development of new regulatory approaches to address trading in insurance policies and employee benefit plans.

Develop amendments to *The Real Estate Act* and *The Real Estate Regulations* to enhance the regulatory framework for the real estate industry, including streamlining and clarifying the investigation and hearing processes established in the legislation, and expanding the enforcement and bylaw-making powers provided to the Saskatchewan Real Estate Commission.

Develop and implement regulations under *The Consumer Protection and Business Practices Act* respecting direct sales and commercial for-profit cemeteries to replace the regulatory frameworks for those industries currently set out in *The Direct Sellers Act* and *The Cemeteries Act*.

Along with our Canadian Securities Administrators (CSA) colleagues complete the Targeted Reforms and Embedded Commissions projects that will reshape the investor-registrant relationship and improve investor outcomes.

Review the enforcement powers and processes used in the administration of *The Consumer Protection and Business Practices Act* and *The Pension Benefits Act, 1992* to identify potential enhancements.

Review the approach in Saskatchewan's cemeteries legislation to deal with insolvent commercial cemeteries.

Goal 2: Administer the rules in Saskatchewan's marketplace

Those regulated should be held to account to follow the rules. FCAA implements effective compliance requirements and enforcement to ensure regulated entities follow the established rules. This includes facilitating remedies or resolution, introducing or changing compliance programs to reflect new rules, and applying appropriate sanctions and/or penalties when rules are breached.

Review the regulatory framework applied to provincial deposit-taking institutions (trust and loan companies) to identify if modifications to the framework are required.

Work with Credit Union Deposit Guarantee Corporation on significant initiatives impacting the Saskatchewan credit union system, including enhancing the crisis management framework, assessing potential participation in the Bank of Canada's emergency lending assistance program, and monitoring enhancements to the Canadian Centrals' group clearing joint venture.

Establish and communicate expectations to prudentially regulated businesses regarding measures to address cybersecurity risk.

Review and enhance as appropriate crisis management frameworks for prudential program areas that includes action plans to proactively respond to unfolding regulatory crises.

Goal 3: Promote an understanding of the rights and responsibilities of consumers and regulated entities

FCAA communicates with consumers and those regulated to help increase awareness of the rules that are in place, and FCAA's powers to enforce those rules. FCAA also strives to educate consumers to make better decisions and to avoid scams.

Execute communications campaigns several times each year to improve public awareness of FCAA and to provide the public with important information on consumer issues.

Develop and execute campaigns and events to promote financial literacy to post-secondary students and newcomers to Canada.

Develop and execute campaigns and events focused on key issues facing seniors and retirement age workers, including maximizing pensions and elder abuse.

Goal 4:FCAA has the people, processes and systems to achieve its regulatory goals

Maximizing use of limited resources while providing effective service delivery remains a strategic priority for FCAA. In some cases, this means relying on others that share responsibility for market confidence.

Continue the work to establish, with other participating jurisdictions, a capital markets regulatory authority to administer uniform securities legislation and regulations. The capital markets regulatory authority will have an office in Saskatchewan. FCAA employees currently involved in capital markets regulations will be seconded to the capital markets regulatory authority for three years following its establishment, at which time they will be permanently transferred to the capital markets regulatory authority.

Establish a comprehensive corporate Learning Plan to develop and support the diverse knowledge and skillsets required to carry out FCAA’s long term mandate, focusing on all employee career phases including orientation, technical expertise acquisition and leadership development.

Implement and fully operationalize the new regulatory license management system (RLS) for all regulatory divisions other than the Securities Division. (The Securities Division utilizes national systems developed by securities regulators.) When fully operational RLS will streamline and standardize FCAA’s licensing processes, allow FCAA to identify and focus resources on higher risk entities by making better use of data analysis and improve client services through online filing.

Continue to develop corporate-wide processes and policies for data and records management.

Complete the first phase of FCAA’s SRO oversight framework by reviewing the existing oversight relationship with each regulatory organization FCAA oversees and update or enhance as required to ensure the formal documentation of the relationship (1) defines roles and responsibilities, (2) sets out the expectations of the regulatory organization, and (3) establishes mechanisms of reporting and oversight.

Status of Action Items from 2015-18 Strategic Plan

Goal 1: Establish and support effective rules for Saskatchewan’s marketplace.	
<p>Develop and implement, with other participating jurisdictions, uniform provincial legislation and regulations in support of the Cooperative Capital Markets Regulatory System.</p>	<p>Status: In progress. Considerable progress has been made on the development of the legislation, including public consultations on initial drafts of <i>The Capital Markets Act</i> and the <i>Capital Markets Stability Act</i>.</p>
<p>Implement <i>The Insurance Act</i>, when passed by the Legislative Assembly, and develop regulations pursuant to the Act. The new legislation will modernize insurance law in Saskatchewan, address emerging insurance issues and harmonize legislation with Alberta and British Columbia.</p>	<p>Status: In progress. <i>The Insurance Act</i> received Royal Assent on May 14, 2015. <i>The Insurance Regulations</i> were passed in June 2017. A Bill to amend <i>The Insurance Act</i> was introduced in the Fall Session of 2017. It is currently anticipated the new Act, as amended, will be proclaimed in early 2019.</p>
<p>Develop and implement legislation to regulate the financial activities of SaskCentral. The federal government will repeal Part XVI of the <i>Cooperative Credit Associations Act</i> (Canada) which permits the voluntary registration of provincial credit union centrals under the federal regulatory regime for financial institutions. As a result, the regulation of SaskCentral will become a provincial responsibility.</p>	<p>Status: Completed.</p>

<p>Develop regulations under <i>The Consumer Protection and Business Practices Act</i>. The Act was proclaimed September 1, 2014. The legislation repeals several business licensing statutes. The proclamation of the repealing sections will occur as licensing regulations are passed over the next few years. Regulations will cover:</p> <ul style="list-style-type: none"> • consumer contracts • prepaid purchase cards • motor dealers • direct sales • credit reporting • auctioneers • charitable fund-raising • collection agents 	<p>Status: In progress. Consumer contracts and pre-paid purchase card regulations (2014) as well as vehicle dealers regulations (2016) have been passed and implemented.</p>
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<p>Goal 2: Administer the rules in Saskatchewan’s marketplace</p>	
<p>Provide advice, take regulatory action or develop legislation to resolve funding issues faced by some public sector pension plans.</p>	<p>Status: Completed.</p>
<p>Develop and implement a supervisory framework and the operational capacity to administer the legislation regulating SaskCentral.</p>	<p>Status: Completed.</p>
<p>Review the administration of Saskatchewan’s cemeteries legislation. Topics of review include the role of a managing administrator of an insolvent commercial cemetery; the role of the Funeral and Cremation Services Council with respect to cemetery oversight; and the requirement for cemeteries to place funds aside for ongoing care and maintenance.</p>	<p>Status: In progress. Preliminary analysis completed. Further analysis is required and recommendations need to be developed for consideration by Government.</p>

<p>Develop and implement, together with other Canadian insurance regulators, a supervisory framework (including regulations and interjurisdictional agreements) to ensure Canada meets the requirements of the International Association of Insurance Supervisors' Insurance Core Principles dealing with market conduct.</p>	<p>Status: Complete. The Canadian Council of Insurance Regulators ICP Implementation Committee has completed its work to introduce a cooperative regulatory framework that will assist Canadian insurance regulators in meeting the requirements of the ICP. The ICP Implementation Committee has implemented:</p> <ul style="list-style-type: none"> • the Memorandum of Understanding and Protocol on Cooperation and the Exchange of Information, • the Annual Statement on Market Conduct, • the Framework for Market Conduct Supervision in Canada, and • The Risk-based Market Conduct Framework for Insurers. <p>The ICP implementation Committee will now be wound down and the ongoing work of undertaking cooperative supervisory activities will be carried on by the Cooperative Supervision Oversight Committee.</p>
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Goal 3: Promote consumers' and regulated entities' understanding of their respective rights and responsibilities

Execute communications campaigns several times each year to improve public awareness of FCAA and to provide the public with important information on consumer issues.	Status: Completed.
Develop a communications strategy for FCAA to respond to significant events in the marketplace or issues emanating from FCAA.	Status: Completed.

Goal 4: FCAA has the people, processes and systems to achieve its regulatory goals

<p>Establish, with other participating jurisdictions, a capital markets regulatory authority to administer uniform securities legislation and regulations. The capital markets regulatory authority will have an office in Saskatchewan. FCAA employees currently involved in capital markets regulations will be seconded to the capital markets regulatory authority for three years following its establishment, at which time they will be permanently transferred to the capital markets regulatory authority.</p>	<p>Status: In progress. The Board of Directors of the Capital Markets Authority Implementation Organization (CMAIO) was appointed in July 2016. The CMAIO hired a Chief Regulator in late 2016. Significant progress has been made on organizational design and the groundwork to transition the participating jurisdictions.</p>
<p>Develop and implement a plan to achieve a balanced budget for FCAA after the launch of the capital markets regulatory authority to address the loss of revenue from securities regulation.</p>	<p>Status: Completed.</p>
<p>Acquire and implement a new regulatory license management system for all regulatory divisions other than the Securities Division. (The Securities Division utilizes national systems developed by securities regulators.) The goals of the project are to streamline and standardize FCAA’s licensing processes, to allow FCAA to identify and focus resources on higher risk entities by making better use of data analysis, to improve client services through online filing and payment services, and to be in a position to add new areas of regulation on a cost-effective basis.</p>	<p>Status: In progress. The vehicle dealers program was launched for public use in early 2016. All other programs included in the project are at varying stages of development.</p>

<p>Establish processes to effectively monitor whether FCAA’s information technology service providers are appropriately managing and securing FCAA’s IT systems and related data. This would include having agreements which include appropriate security requirements and security reporting and establishing policies and procedures for taking corrective actions on problems with FCAA’s IT service providers.</p>	<p>Status: In progress. A draft policy and processes are currently in final stages of review.</p>
<p>Develop corporate-wide processes and policies for data and records management.</p>	<p>Status: In progress. The government-wide administrative records management schedule (ARMS 2014) was implemented. A draft operational records system (ORS) was developed and submitted to Provincial Archives staff for review. Discussions with Provincial Archives staff in progress.</p>
<p>Develop, implement and report on a framework of oversight for self-regulatory organizations under FCAA that (1) defines roles and responsibilities, (2) sets out the expectations of a self-regulatory organization, and (3) establishes mechanisms of reporting and control.</p>	<p>Status: Completed.</p>