

Media Statement

FAIR Canada Champions Action on OBSI Binding Authority and Cautions Against Excessive Oversight

Toronto, ON (July 15, 2025) — Today, Jean-Paul Bureaud, Executive Director of FAIR Canada, issued the following statement in response to the Canadian Securities Administrators' (CSA) proposed framework for binding authority for the Ombudsman for Banking Services and Investments (OBSI).

This is a long-overdue step toward a fairer and more accountable dispute resolution system for harmed investors, ensuring they are no longer pressured into accepting low-ball settlements from firms that currently face no obligation to pay.

FAIR Canada supports the CSA's efforts to strengthen investor protection through the introduction of binding authority for OBSI. A new element of the proposal involves having an independent panel of external decision-makers review recommendations of \$75,000 or more. FAIR Canada is reviewing this change to ensure it does not put retail investors at a disadvantage.

We are also examining the CSA's proposed oversight framework, which seems excessive and unwarranted. By expanding regulatory oversight over governance, operations, and decision-making at OBSI, the proposal risks diminishing the authority and role of OBSI's board. Our review will focus on ensuring that OBSI can deliver prompt, fair, and reliable complaint resolution without being hindered by heavy-handed and unnecessary oversight. Effective dispute resolution through an independent ombud service is essential to a properly functioning investor protection system.

We look forward to reviewing the full details of the framework and engaging in the consultation process. This is a vital moment for investor protection in Canada, and it is essential that we get it right.

We urge the CSA to quickly finalize the binding authority frameworks and encourage governments to commit to introducing the necessary legislation. FAIR Canada remains dedicated to advancing this vital reform and is prepared to work with regulators, governments, and the industry to establish a more effective dispute resolution system for Canadians.

Background: On November 30, 2023, the CSA issued for comment a proposed regulatory framework for an independent dispute resolution service—anticipated to be the OBSI—whose decisions would be binding. The comment period closed on February 28, 2024, and the CSA has been reviewing the responses it has received. On November 7, 2024, the CSA announced plans to issue a further publication for comment in the second half of 2025, including its proposed approach to oversight.