

A Submission on Canada's Financial Consumer Protection Framework:

From the Seniors Resource Centre of Newfoundland and Labrador's NL Network for the Prevention of Elder Abuse

Please consider the following as the NL Network for the Prevention of Elder Abuse's submission to the Government of Canada in its consultations on developing its proposed Financial Consumer Protection Framework. The NL Network for the Prevention of Elder Abuse (NLNPEA) is an integral part of the Seniors Resource Centre of Newfoundland and Labrador's efforts to address elder abuse in NL. As such, we interact with seniors and service providers on a regular basis and hear of their concerns about the financial abuse of older adults. To this end, we would like to address the consultation questions around vulnerable populations in your consultation paper:

- **What are the unique challenges faced by vulnerable populations?**
- **How should the consumer code address these challenges?**

Seniors may sometimes experience physical limitations as they age, and in particular, may suffer from changes in vision. This may include having difficulty with reading small print and in seeing contrasts in colour. This may prevent a senior from being able to read text in financial agreements, information, and other documents. For this reason, we recommend the consumer code ensure accessibility to financial information for all populations by regulating that a large-type version (14pt) of all agreements be available and easily accessible to seniors.

It is also recommended that type on debit and credit cards be in large type – especially the contact number which is often in 8-pt size or less on the back of a card. A senior cannot request help with a financial product if they are unable to read the contact number that they need to call. In addition, metallic inks should not be used on debit and credit cards (as is often the case with the card numbers) as their reflective nature makes them hard to see.

Another barrier for seniors to access financial information is the manner in which it is written. As noted in the *Provincial Healthy Aging Policy Framework* developed by the Government of Newfoundland and Labrador

(www.health.gov.nl.ca/health/publications/ha_policy_framework.pdf): “An international survey showed that 85 per cent of Newfoundland and Labrador seniors have low literacy levels. A supportive community ensures that people with low literacy are able to access needed services. There is a need to take literacy into account when we communicate with older adults.” Thus, it is imperative that the consumer code mandate financial institutions to provide their financial information and agreements in plain English (that is, a grade-eight reading level or lower.)

A further consideration is that many seniors, especially in the rural areas of Newfoundland and Labrador, do not have computers. Therefore, it is important that all financial information and documents (including bills and statements of account) are available in hard copy – both in banks and other financial institutions and by mail. A consumer code should guarantee a consumer’s access to documents in hard copy without being charged for this right. Currently, many companies charge a service fee for mailing bills to their customers. This is not fair to consumers who do not have access to the internet, especially as this affects mostly seniors – many of which may be living on a low income.

It is also important to remember that seniors may not be as familiar with other kinds of technology as are those who have grown up with computers, cell phones, scanners, etc. Therefore, financial institutions must ensure seniors have easy access to their services when technology is involved. For instance, all automated phone systems should have the option upfront for a caller to hit “0” and be connected with customer service rather than having to go through a long number of prompts. (It should also be noted that the Canadian Hearing Society estimates that in Canada more than 60% of seniors over the age of 65 have a hearing loss. This can make communicating over the telephone difficult, especially when dealing with automated phone systems.) Likewise, when new technologies are introduced (such as when credit cards with chips were introduced), it is essential that easy-to-understand, large-print literature and other education programs explaining the new technology be made available to seniors. These supports for senior consumers should be mandatory in the new consumer code.

Our other recommendations are concerned with banking. Many seniors in our province live in small, rural communities that do not have a bank. Therefore, if they wish to do banking and have mobility issues, they are required to trust a third party to take care of their banking needs. This can open the way for financial abuse, especially when a senior gives a third party use of their debit card and/or

opens a joint banking account with them. It is essential that banks and financial institutions be mandated to develop policies around preventing financial abuse. These policies should include explaining the dangers of a joint account to seniors when they open these kinds of accounts, ensuring regular safeguards are in place when there is suspicious banking activity on a joint account, and regular education of employees about the realities of financial elder abuse.

Another barrier that may prevent seniors from accessing banking services themselves is the requirement for several types of identification (especially picture identification) in order to open an account. Many seniors do not have a driving license, passport, or even a credit card, so they are unable to meet these requirements. The consumer code should provide alternate ways for seniors to set up bank accounts and access banking services.

With Canada's rapidly aging population, it is essential that safeguards against financial elder abuse and mandatory accommodations for seniors to ensure they have access to financial information/services are incorporated into the new consumer code. Thank you for the opportunity to provide input on this to help make it happen.

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