

Legislative
Assembly
of Ontario



Assemblée
législative
de l'Ontario

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1 CHARLES III, 2023

Bill 122

**An Act to provide for the development and implementation
of a plan to establish a consumer watchdog organization**

Co-sponsors:

Mr. T. Rakocevic

Ms D. Begum

Ms C. Fife

Ms B. Karpoche

Private Members' Bill

1st Reading June 6, 2023

2nd Reading

3rd Reading

Royal Assent



EXPLANATORY NOTE

The Bill enacts the *Ontario Consumer Watchdog Act, 2023*. The Act requires the Minister, in consultation with relevant stakeholders and the public, to develop and implement a plan to establish an independent consumer watchdog organization that is responsible for overseeing consumer protection matters in Ontario. The Act provides that the plan shall include the steps the Minister intends to take to establish the organization, the powers and duties of the organization, the role of the organization in relation to other regulatory bodies and such other matters as the Minister considers advisable. The Minister must publish the plan on a Government of Ontario website as well as prepare and table a progress report on the plan in the Legislative Assembly.

An Act to provide for the development and implementation of a plan to establish a consumer watchdog organization

Preamble

Consumers should expect to be treated with fairness and honesty by the businesses and other entities that interact with them. However, anti-consumer activities or practices on the part of some businesses and other entities is a real and serious problem in Ontario. Challenges to consumers include price gouging and other forms of unfair treatment, a lack of transparency in the marketplace, products and services that fall short of expectations in terms of value for money and quality and consumer protection information and remedies that are not available, accessible or reliable.

Consumers must be confident and aware of what protections are available to them when making purchases. Businesses and other entities must help to maintain a fair marketplace for consumers. To ensure both consumers and businesses and other entities know their respective rights and responsibilities, it may be necessary to put certain processes in place including investigating potential predatory and illegal behaviours of businesses and other entities, providing for a consumer complaints process, imposing penalties and other remedies on bad actors and maintaining a public website on consumer protection matters.

The current level of consumer protection in Ontario is not adequate. The establishment of a consumer watchdog organization may fill that gap by serving as a comprehensive consumer protection organization that is dedicated to consumers and that will provide consumers with the confidence that their rights are protected. A consumer watchdog organization of this type has never existed previously in Ontario and now is the time to establish one.

Therefore, His Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Interpretation

1 In this Act,

“Minister” means the Minister of Public and Business Service Delivery or such other member of the Executive Council as may be assigned the administration of this Act under the *Executive Council Act*.

Plan for establishing a consumer watchdog organization

2 The Minister shall develop and implement a plan to establish a consumer watchdog organization that is,

- (a) independent of government;
- (b) responsible for overseeing consumer protection matters in Ontario; and
- (c) established in consultation with relevant stakeholders and the public.

Content of plan

3 The plan to establish the consumer watchdog organization referred to in section 2 shall include the following:

1. The steps the Minister intends to take in order to establish the consumer watchdog organization.
2. The powers and duties of the consumer watchdog organization, including:
 - i. Investigating businesses or other entities to determine compliance with consumer protection laws or practices.
 - ii. Investigating and reporting on the unfair activities or practices of sectors or groups of businesses or other entities.
 - iii. Investigating consumer complaints against businesses or other entities submitted to the organization.
 - iv. Administering penalties to businesses or other entities, determining remedies for consumers or otherwise addressing the failure of businesses or other entities to comply with consumer protection laws or practices.
 - v. Publishing the number of consumer complaints against businesses or other entities submitted to the organization, the number of consumer complaints investigated by the organization and the results of the organization's investigations.
 - vi. Publishing public reports on consumer protection matters.

- vii. Determining whether existing legislation is no longer serving consumers as a result of the legislation being outdated or poorly enforced.
 - viii. Reporting to the Legislative Assembly, relevant committees and ministries regarding matters that directly affect consumers.
 - ix. Educating the public on consumer protection and on how consumers can best exercise their rights and responsibilities.
 - x. Any powers or duties under any other Acts, including the *Consumer Protection Act, 2002*, that should be assumed under the organization.
3. The role of the consumer watchdog organization in relation to other regulatory bodies, including a plan to allow decisions of the organization to prevail over decisions of other regulatory bodies in specified sectors or with respect to specified groups of business or other entities.
4. Such other matters as the Minister considers advisable.

Publication of plan

4 The Minister shall publish the plan on a Government of Ontario website.

Progress report

5 (1) Within six months after the plan to establish a consumer watchdog organization is developed, the Minister shall prepare a progress report on the plan and table the progress report in the Legislative Assembly.

Same

(2) The progress report shall include the Minister's progress in establishing the consumer watchdog organization.

Commencement

6 This Act comes into force on the day it receives Royal Assent.

Short title

7 The short title of this Act is the *Ontario Consumer Watchdog Act, 2023*.