

SFSC 2005 Client Survey

During March and April 2005, 59 clients participated in a confidential survey conducted by T. Bakkeli Consultants Inc. on behalf of the Saskatchewan Financial Services Commission. A “client” is defined as a regulated entity.

The survey was conducted:

- to obtain feedback on the level of confidence in the financial services marketplace in Saskatchewan;
- to obtain feedback on the SFSC’s performance in a number of key areas; and
- to obtain additional information that will help the SFSC plan its future initiatives.

The survey participants were randomly selected from a list of potential participants from the three divisions of the SFSC. The identity of participants is not known to the SFSC.

The Commission is pleased with the overall results. There is a high level of satisfaction with the regulation of the financial services sector in Saskatchewan and the direction the Commission is taking.

The major industry issues raised by the participants were harmonization, both between jurisdictions and across products and industry sectors; and the need for strong regulation. Managing the cost of regulation and focusing on the unique needs of Saskatchewan were other common themes.

Other key findings from the report are summarized as follows:

1. There is a high level (90%) of satisfaction with regulation of the financial services sector in Saskatchewan. Thirty-one percent (31%) of participants were very satisfied and fifty nine (59%) percent were somewhat satisfied.
2. Overall clients are quite confident in the financial services marketplace within Saskatchewan with an average response of **3.2**, which is “**Somewhat**” to “**Very Confident**”. Only sixteen (16%) were either somewhat or totally lacking confidence. As well, 74% feel SFSC contributes positively to public confidence.
3. Regulation is perceived to be improving (49%) or staying the same (39%). A small minority (7%) indicated it has become less effective over the past three to five years.
4. There are some concerns that regulation is too heavily weighted towards consumer protection. Half the participants felt SFSC achieved effective consumer protection while allowing competition. However, 30% did not agree.

5. While 45% felt regulatory burden in Saskatchewan was equivalent or less than in other provinces, one quarter felt it was more burdensome.
6. Accessibility of regulators is not an issue for SFSC. Seventy-three percent (73%) of respondents indicated the level of accessibility is the same or higher in SFSC compared to other regulators. Only 3% felt SFSC was less accessible.
7. Although 49% of participants felt SFSC has an appropriate understanding of risk levels, 24% felt it needed more.
8. Over half of the respondents felt intervention occurred at an appropriate time, with only 10% indicating it happened too quickly or too slowly.
9. The level of intervention was viewed as about right by almost half (47%) of the respondents, and only 10% felt it was too harsh or too complacent.
10. Respondents strongly support the concept of creative regulatory solutions. Fifty-one percent (51%) were of the view that SFSC often or sometimes provides creative solutions.
11. The majority of respondents (80%) felt SFSC staff have the skills and knowledge required and that resource levels are appropriate.
12. Many respondents lacked awareness of the public profile of SFSC. For those who were aware, they were almost equally split regarding whether or not the public profile needed to be increased or whether it was appropriate at its current level.
13. There is strong support for SFSC's participation in national initiatives; with only five percent (5%) indicating it was too high.

Responses for Questions With Specific Ratings

Question 2 – Client Satisfaction

<i>Overall, are you very satisfied, somewhat satisfied, somewhat dissatisfied, or very dissatisfied with the regulation of the financial services marketplace within Saskatchewan? What are the reasons for your rating?</i>		
Very satisfied	18	31%
Somewhat satisfied	35	59%
Somewhat dissatisfied	2	3%
Very dissatisfied	1	2%
Don't know	1	2%
No answer	2	3%

Question 3 – Client Confidence

<i>Overall, would you say that you are very confident, somewhat confident, somewhat lacking confidence, or totally lacking confidence in the financial services marketplace within Saskatchewan? What are the reasons for your rating?</i>		
Very confident	21	36%
Somewhat confident	23	39%
Somewhat lacking confidence	8	14%
Totally lacking confidence	1	2%
Don't know	3	5%
No answer	3	5%

Question 4 – SFSC's Contribution to Public Confidence

<i>Overall, would you say that SFSC performs very well, performs well, performs poorly or performs very poorly in terms of contributing to public confidence in Saskatchewan's financial services marketplace? What are the reasons for your rating?</i>		
Very well	12	20%
Well	32	54%
Poorly	3	5%
Very poorly	2	3%
Don't know	7	12%
No answer	3	5%

Question 5 – Regulatory Trend

<i>Over the past three to five years, has regulation of the financial services marketplace within Saskatchewan improved, stayed about the same or become less effective? What are the reasons for your rating?</i>		
Improved	29	49%
Stayed about the same	23	39%
Become less effective	4	7%
Don't know	3	5%
No answer	0	0%

Question 6 – Regulatory Balance Between Consumer Protection And Competition

SFSC tries to strike an appropriate balance between providing effective consumer protection while allowing competition within the financial services marketplace. Would you say it is very successful, somewhat successful, somewhat unsuccessful or very unsuccessful? What are the reasons for your rating?

Very successful	8	14%
Somewhat successful	21	36%
Somewhat unsuccessful	15	25%
Very unsuccessful	3	5%
Don't know	6	10%
No answer	6	10%

Question 7 – Regulatory Burden

The ten provinces regulate most of the financial services marketplace. Overall, do you find regulation of the financial services marketplace in Saskatchewan more burdensome, about equivalent, or less burdensome than in other provinces? What are the reasons for your rating?

Less burdensome	15	25%
About equivalent	12	20%
More burdensome	15	25%
Don't know	13	22%
No answer	4	7%

Question 8 – Accessibility

Relative to other financial services regulators that you are familiar with, would you say that SFSC is more accessible, about equally accessible, or less accessible to those regulated? What are the reasons for your rating?

More accessible	27	46%
About equally accessible	16	27%
Less accessible	2	3%
Don't know	11	19%
No answer	3	5%

Question 9 – SFSC’s Understanding of Risk Levels

<i>In order to regulate effectively, SFSC needs to assess the risk level within the financial service providers. In your view, does SFSC have too much understanding, an appropriate level of understanding or not enough understanding of risk levels? What are the reasons for your rating?</i>		
Appropriate level	29	49%
Too much	0	0%
Not enough	14	24%
Don't know	11	19%
No answer (mixed response)	5	8%

Question 10 – Timeliness of Intervention or Compliance Enforcement

<i>As a regulator, SFSC is sometimes required to enforce compliance or intervene in the business of a financial services provider. In your view, does SFSC act too quickly, at an appropriate time, or too slowly? What are the reasons for your rating?</i>		
Appropriate time	33	56%
Too quickly	1	2%
Too slowly	5	8%
Don't know	16	27%
No answer (mixed response)	4	7%

Question 11 – Level of Intervention or Compliance Enforcement

<i>When SFSC enforces compliance or intervenes, in your view is its action too harsh, about right, or too complacent? What are the reasons for your rating?</i>		
About right	28	47%
Too harsh	2	3%
Too complacent	4	7%
Don't know	21	36%
No answer (mixed response)	4	7%

Question 12 – Creative Solutions

<i>SFSC is of the view that not all issues require a regulatory response. In your view, does SFSC provide creative solutions often, sometimes, or not at all? What are the reasons for your rating?</i>		
Often	7	12%
Sometimes	23	39%
Not at all	10	17%
Don't know	14	24%
No answer	5	8%

Question 17 – Participation in National Initiatives

<i>Do you think that the level of SFSC's participation in national initiatives is too high, at about the right level, or too low? What are the reasons for your rating?</i>		
AR	About right	59%
TH	Too high	5%
TL	Too low	5%
DK/NA	Don't know, did not provide a single rating, or did not answer	31%