Office of the Superintendent of Financial Institutions Canada
Bureau du surintendant des institutions financières Canada

Financial Institutions Survey 2018-19

Executive Summary

Prepared for the Office of the Superintendent of Financial Institutions

Supplier Name: Phoenix SPI
Contract Number: 59017-180008-001-CY
Contract Value: $45,537.87 (including HST)
Award Date: 2018-07-24
Delivery Date: 2019-03-26

Registration Number: POR 021-18

For more information about this summary, please contact the department at: information@osfi-bsif.gc.ca

Ce sommaire est aussi disponible en français.

Canada

Copyright

Financial Institutions Survey 2018-19

Executive Summary

Prepared for the Office of the Superintendent of Financial Institutions

Supplier name: Phoenix Strategic Perspectives Inc.
March 2019

This public opinion research report presents the results of an online survey of 115 CEOs of federally regulated financial institutions and insurance companies that was conducted between October 24 and November 30, 2018.

Cette publication est aussi disponible en français sous le titre : Sondage auprès des institutions financières de 2018-2019.

Communications and Consultations Division
255 Albert Street, 12th floor,
Ottawa, ON K1A 0H2

Catalogue Number:
IN4-30/2019E-PDF

International Standard Book Number (ISBN):
978-0-660-30761-9

Related publications (registration number: POR 021-18):
Catalogue Number IN4-30/2019F-PDF (Final Report, French)
ISBN 978-0-660-30762-6

The Office of the Superintendent of Financial Institutions (OSFI) is the primary regulator and supervisor of federally regulated financial institutions and federally administered pension plans. To help assess how well it is achieving its mandate, OSFI undertakes consultations and surveys with senior executives within the financial community.

A key element of OSFI's stakeholder consultations program is a biennial survey of CEOs in all federally regulated financial institutions, including banks and other deposit-taking institutions (DTIs), as well as life and property and casualty insurance companies. The last Financial Institutions Survey (FIS) was conducted in 2016-17.

The objective of this year's FIS was to provide a high-level assessment of OSFI's overall performance on a series of core measures, including:

- Overall impressions of OSFI;
- Impressions of OSFI's guidance;
- Impression of OSFI's approvals process;
- Impressions of OSFI's supervisory activities; and,
- Assessments of emerging key issues.

Methodology

To meet the objectives, an online survey was conducted with all active deposit-taking institutions and insurance companies being supervised by OSFI. Available in both official languages, the survey was online between October 24 and November 30, 2018. Of the 245 eligible institutions invited to complete the survey, 115 did so, which represents a solid response rate of 47%. Of the 115 respondents, 55 were deposit-taking institutions and 60 were insurance companies. Since the entire population was invited to participate in this study, there is no margin of sampling error to be estimated or reported.

Key Findings

The following are key findings from the survey:

- Overall, satisfaction with OSFI as the principal prudential regulator and supervisor of Canada's financial services industry remains strong, but there's been a decline since 2016-17, most notably among those who are very satisfied. This decline is most pronounced among deposit-taking institutions, with the proportion reporting the highest level of satisfaction significantly lower than the previous FIS.
- Most representatives of financial institutions think OSFI is proactive in responding to emerging issues pertaining to the deposit-taking and insurance sector and that OSFI focuses on the appropriate areas of risk in the sector.
- Cyber risk and IT security continues to be a priority that stakeholders would like to see OSFI focus on for the coming years. Following this, deposit-taking institutions pointed to a variety of other risks, while insurance companies focused on environmental risks, regulatory burden and IFRS 17.
- Results are mixed for guidance, with some measures showing improvement since 2016-17 and others recording a decline. Specifically:

    - Positive perceptions of OSFI's performance consulting with industry, providing opportunity to comment, being transparent, and communicating responses continue to increase over time.
    - Conversely, there has been a decline in positive ratings of OSFI for its response time to market developments or industry suggestions and for the balance it strikes between prudential considerations and competition.
- In the area of supervision, positive views of OSFI's performance continue to increase. Improvement was most notable for the scaling of guidance and supervisory activities, with an increase in the proportion offering the highest rating of very good.

The results of the research provide the data needed to meet OSFI's performance reporting commitments and enable OSFI to identify areas for improvement. The contract value was $45,537.87 (including HST)