

**The subject matter of those elements contained in Divisions 4, 9, 10, 11, 12, 13, 14, 15, 16, 17, 22, 23, 37, 39, 43 and 45 of Part 5 of Bill C-15, An Act to implement certain provisions of the budget tabled in Parliament on November 4, 2025**

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**Brief of the Public Interest Advocacy Centre to the Standing Committee, Banking, Commerce and the Economy (BANC Committee)**



**PUBLIC INTEREST ADVOCACY CENTRE  
LE CENTRE POUR LA DÉFENSE DE L'INTÉRÊT PUBLIC**

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(December 21, 2025)**

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## A- Introduction and Summary

- 1- The Public Interest Advocacy Centre (“PIAC”) is a national non-profit organization and registered charity that provides legal and research services on behalf of consumer interests, and in particular, vulnerable consumer interests concerning the provision of important public services. PIAC has been active in the field of consumer protection and policy for over 40 years.
- 2- PIAC supports strong consumer safeguards against fraud. Bill C-15, Division 16 (Bank Act, Consumer-targeted Fraud) is an important step towards protecting against rising fraud. Strong and effective measures are required that should be regularly reviewed to provide relevant safeguards to consumers.
- 3- The main issue raised in this brief is whether the recommended changes in Bill C-15, Division 16 provide meaningful consumer safeguards against fraud. PIAC submits that the current language of the bill is not consumer centric as it fails to provide clear and enforceable consumer safeguards.
- 4- The main gaps in Bill C-15, Division 16 that undermine consumer protection are as follows:
  - No guaranteed minimum consumer safeguards;
  - No specific requirement to reimburse victims of fraud;
  - Lack of clarity on consumer engagement;
  - Risk of non-uniform, and inadequate personnel training;
  - Lack of consumer transparency and awareness measures; and
  - Lack of clarity regarding enforcement.
- 5- PIAC recommends the following changes:
  - ❖ Minimum consumer safeguards: Bill C-15 should include the language “minimum consumer safeguards,” in Division 16. This is to enable the development of clear and standardized protections. The present bill gives discretion to banks to set their own policies against consumer fraud, which seriously undermines consumer protection. These minimum safeguards could be provided in the regulations, if not in the law, but at least the language of minimum consumer safeguards must be added in the bill to provide necessary authority to the regulators to develop and enforce these protections.
  - ❖ Public transparency: The bill should provide more transparency. Reporting requirements from financial institutions should be public and at least twice annually. All such reporting should keep fraud victims’ identities confidential but disclose the rates and types of fraud associated with each bank operating in Canada.
  - ❖ Zero-consumer liability framework: Bill C-15 should establish a uniform zero-consumer-liability framework to ensure no victim of fraud is liable for financial loss

regardless of payment method used. Canada should learn lessons from other jurisdictions and aim to implement the highest scope of protections.

- ❖ Explicit Enforcement mechanisms: Bill C-15 should provide explicit enforcement measures to ensure banks are held accountable in the event of non-compliance with mandatory consumer protections.

## **B- Commentary on Bill C-15, Division 16**

### **a. An Important First Step towards fighting Consumer Fraud but needs to be amended to provide clear and enforceable safeguards**

- 6- PIAC is pleased to see Bill C-15, Division 16 (Bank Act, Consumer-targeted Fraud). This is an important step towards protecting against rising fraud. Strong and effective measures are required that should be regularly reviewed to provide relevant safeguards to consumers.
- 7- The main issue raised in this brief is whether the recommended changes in Bill C-15, Division 16 provide meaningful consumer safeguards against fraud. PIAC submits that the current language of the bill is not consumer centric as it fails to provide clear and enforceable consumer safeguards.
- 8- PIAC clarifies that we support Bill C-15's attempt to provide safeguards against consumer fraud but want these provisions to be clarified and strengthened for consumers.

## **C- Considerable Gaps that need attention**

- 9- PIAC notes the gaps that need attention, and provides analysis as to how these could be addressed. These comments provide more details and build on the remarks shared earlier by PIAC during our appearance at the BANC Committee.

### **a. No guaranteed minimum consumer safeguards**

- 10- Notably, ss.627.134 (1) of Bill C-15, Division 16 provides that "An institution shall establish and adhere to policies and procedures to detect and prevent consumer targeted fraud and to mitigate its impacts." Further, ss.627.134 (2) provides that the policies and procedures shall set out the criteria that the institution uses to:
  - a. decide whether a transaction is suspicious
  - b. decide whether to suspend or cancel, or take other measures in relation to, a suspicious transaction
  - c. communicate a decision referred to in paragraph (b) to persons affected by a suspension, cancellation or other measure

- d. decide whether a natural person is a victim of consumer-targeted fraud and, if so, whether a remedy is available to them
  - e. decide what types of remedies are available to a natural person who is a victim of consumer-targeted fraud
  - f. communicate a decision referred to in paragraph (e) to a natural person who is a victim of consumer-targeted fraud; and
  - g. any prescribed criteria
- 11- The above require the banks to set out policies and procedures that cover all the issues identified in parts (a) to (g) of ss.627.134 (2). However, the language leaves it on the banks to decide the specifics of these policies and procedures. These non-transparent provisions on policies and procedures are problematic as there is a clear risk that not only can these policies result in inconsistent safeguards across different banks but may also result in inadequate protections for consumers.
- 12- These must be addressed by adding language such as minimum consumer safeguards within the Act itself. Leaving this unclear in the bill and relying on the regulation to address this, if at all, is a serious problem. PIAC's experience in other industries has often demonstrated industry pushback against strong consumer protections. We expect something similar to take place here, particularly if the bill itself does not provide for at least the words, minimum safeguards.
- 13- PIAC refers to the approach taken in under s. 86.11 (1) of the *Canada Transportation Act*,<sup>1</sup> which uses the language "minimum standards" regarding the air carriers' obligations in case of flight delay, flight cancellation or denial of boarding. See s.86.11(1)(b) in particular for details. This has enabled the drafting of clear, uniform requirements that are to be enforced by the Canada Transportation Agency. Even with an explicit requirement to have minimum safeguards, there have been numerous challenges and issues from airlines that have often put these regulations under scrutiny. Thus, in the absence of clear requirements and minimum safeguards in Bill C-15, it can become extremely difficult for consumers to receive adequate safeguards, let alone enforce them.
- 14- Notably, Bill C-15 also does not make it clear whether these bank policies and procedures will be accessible, and importantly easily accessible by consumers. This is crucial to enable consumers to understand what transpired and on what basis did the bank come to a conclusion regarding any suspicious transaction affecting them. This must be clarified in the bill. Consumers are often not given clear responses by the banks, and not imposing a requirement to disclose these policies to consumers, particularly affected consumers places them at a significant disadvantage. Victims of fraud not only have to go through the anxiety and stress of losing funds but also the stress of reaching out to the banks to get answers, which are often vague and not helpful.

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<sup>1</sup> *Canada Transportation Act* (S.C. 1996, c. 10), s. 86.11 (1)

**b. No specific requirement to reimburse victims of fraud**

15- The current provision, ss.627.134 (2)(d) and (e) gives banks the discretion to determine whether and what remedies the victims are entitled to. This is immensely unfair to consumers. Ideally, the bill itself should provide for specific remedies that will apply, and in particular the right to reimburse victims of fraud must be included. This is discussed in some detail below. The absence of this explicit requirement makes this bill weak, and ineffective in providing the much needed recourse to victims of fraud.

**c. Lack of clarity on consumer engagement**

16- The provision on communicating to victims of fraud again leaves it on the banks to determine how this is conducted. Unclear, opaque policies and answers undermine consumer trust, and do not help the consumers in understanding what happened. The safeguards set out in the bill or at least in the regulations must provide for clear communication requirements.

**d. Risk of non-uniform, and inadequate personnel training**

17- With respect to personnel training, ss.627.134 (3) provides that “The institution shall provide its employees, representatives, agents or mandataries and other intermediaries who deal with customers who are in Canada with initial and recurrent training on the detection and prevention of consumer-targeted fraud and on the institution’s policies and procedures.” Again without identifying uniform standards, there will be inconsistent practices and protections.

18- PIAC’s past experience with consumers as well as some recent media stories have indicated that bank personnel have not only missed red flags but have also failed to provide adequate support to victims of fraud.<sup>2</sup>

19- Further, this training should not be just limited to identifying red flags, and different types of fraud protection procedures to follow, but also provide guidance on how to clearly communicate to customers, informing them as to why an extra check is required as well as documenting all details, and making these details accessible to customers. Trained personnel can prove a pivotal role in preventing fraud. It is critical to get this right.

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<sup>2</sup> Arturo Chang, “Family questions TD’s fraud prevention after Winnipeg seniors lose \$10K in grandparent scam,” CBC News (6 August 2025), online: <<https://www.cbc.ca/news/canada/manitoba/winnipeg-grandparent-scam-fraud-protection-practices-1.7601470>>. Also see: Erica Johnson, Ana Komnenic, “RBC and CIBC allow 89-year-old to drain life savings, lose \$1.7M to scammers,” (27 October 2025), online: <<https://www.cbc.ca/news/gopublic/bank-investigator-fraud-scam-9.6950754>>.

**e. Lack of consumer transparency and awareness measures**

20- Bill C-15 mentions about the Annual Report on consumer-targeted fraud being provided to the Commissioner. However, there is no requirement to make this publicly available.

21- PIAC further notes that there is a major data gap when it comes to bank specific fraud in Canada. Other countries provide such data. For instance, in the UK, the Annual Fraud Report 2025 provides publicly available data on unauthorized fraud including fraud on credit, debit and other payment cards, cheques and remote banking channels.<sup>3</sup> However, in Canada, only general fraud data is available from the resources provided by the Canadian Anti-fraud Centre. We need bank specific fraud data, which must be easily available.

**f. Lack of clarity regarding enforcement.**

22- It is not clear at this stage who would be enforcing the provisions provided in Division 16, and what measures will be taken against non-compliance by banks. This must be clarified. It is also important that the enforcing authority is given the required authority in the bill to address any issues of non-compliance.

**D- PIAC's Recommendations**

23- Based on the above identified gaps, PIAC recommends the following changes:

- ❖ Minimum consumer safeguards: Bill C-15 should include the language “minimum consumer safeguards,” in Division 16. This is to enable the development of clear and standardized protections. The present bill gives discretion to banks to set their own policies against consumer fraud, which seriously undermines consumer protection. These minimum safeguards could be provided in the regulations, if not in the law, but at least the language of minimum consumer safeguards must be added in the bill to provide necessary authority to the regulators to develop and enforce these protections.
- ❖ Public transparency: The bill should provide more transparency. Reporting requirements from financial institutions should be public and at least twice annually. All such reporting should keep fraud victims' identities confidential but disclose the rates and types of fraud associated with each bank operating in Canada.
- ❖ Zero-consumer liability framework: Bill C-15 should establish a uniform zero-consumer-liability framework to ensure no victim of fraud is liable for financial loss regardless of payment method used. Canada should learn lessons from other jurisdictions and aim to implement the highest scope of protections.

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<sup>3</sup> UK Finance, “Annual Fraud Report 2025,” online: <<https://www.ukfinance.org.uk/policy-and-guidance/reports-and-publications/annual-fraud-report-2025>>.

- ❖ Explicit Enforcement mechanisms: Bill C-15 should provide explicit enforcement measures to ensure banks are held accountable in the event of non-compliance with mandatory consumer protections.

#### **a. Standardized anti-fraud safeguards**

24- As noted above, the bill does not go far enough to standardize and ensure even consumer protections for all victims of fraud. PIAC is concerned that in the absence of provisions in the law or at least in the regulations that spell out mandatory minimum standards, banks will take the path of least resistance and offer minimal protections. This will lead to uncertainty and lack of clarity for consumers. Uneven minimum standards will also make enforceability challenging.

25- The following is a non-exhaustive list of standardized policies that must be at least included in the regulations, if not in the bill:

- ❖ Clear definition of fraud and other relevant terminology
- ❖ Minimum standards of protection binding on all financial institutions
- ❖ Minimum communication requirements with consumers in the event of fraud
- ❖ Minimum remedies for victims of fraud
- ❖ Binding statutory time limits for issuing compensation
- ❖ Additional paths of recourse for consumers
- ❖ Enforcement mechanisms in the event of non-compliance

#### **b. Transparent Public Reporting**

26- The bill requires financial institutions to prepare an annual report on consumer-targeted fraud to be provided to the Commissioner, who will prepare an annual report to the Minister of Finance.<sup>4</sup>

27- PIAC maintains that one report per-year on consumer-targeted fraud is not enough to give consumers up-to-date information on the state of fraud in Canada. We recommend bi-annual reporting as a starting off point to ensure better access to information for Canadian consumers.

28- PIAC's recommendation for two yearly reports is drawn from similar practices followed by organizations, such as the Commission for Complaints in Telecom-Television Services.<sup>5</sup> This consumer-facing complaints resolution organization publishes two publicly available reports each year to provide data on TV and telecom service complaints. The bi-annual and annual report model is an effective starting point to base reporting requirements for

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<sup>4</sup> Bill C-15, *supra* note 1.

<sup>5</sup> CCTS, 'Codes, Stats & Reports', online: <https://www.ccts-cprst.ca/codes-stats-and-reports/ccts-reports/annual-and-mid-year-reports/>

anti-fraud legislation and would be an improvement on the existing Bill's annual report requirement. In the long-term, PIAC recommends more frequent and robust reporting at regular intervals for maximum consumer awareness and accountability.

29- Importantly, we recommend that the legislation mandate transparency in reporting. PIAC strongly supports the anonymization of victims of fraud in reports to preserve consumer privacy. However, we recommend that reports disclose the names of financial institutions and the percentage rates of fraud incidents and types of fraud in each report. This would allow consumers to be more aware of such practices and make well-informed choices. Public disclosure would also serve to incentivize financial institutions to implement better anti-fraud practices.

### c. Zero-liability for consumer victims of fraud

30- PIAC submits that no consumer should be liable for financial losses in the event of fraud. Bill C-15 does not prevent consumers from bearing the financial losses due to fraud. The bill states that an institution shall establish policies which will set out "whether a remedy is available to [consumers]" in the event of fraud, giving banks full discretion to determine if compensation will be given.<sup>6</sup>

31- Consumer protections for credit card users are different from those in the banking sector. Under the *Bank Act*, s.627.33 limits consumer liability to \$50 for unauthorized with the exception of gross negligence.<sup>7</sup> Debit card transactions are only protected under the *Canadian Code of Practice for Consumer Debit Card Services*, a non-binding voluntary code. Other types of banking fraud lack binding consumer protections under the current legal framework.

32- PIAC recommends that the text of Bill C-15 be amended to explicitly state that consumers will bear no liability for financial losses incurred as a result of consumer-targeted banking fraud.

33- A zero-liability framework will enhance consumer trust in an era of rising fraud on multiple payment platforms. The framework is inspired by other jurisdictions that have considerably limited consumer liability as a means of coping with rising rates of fraud.

34- In the UK, the Payment Systems Regulator introduced a mandatory reimbursement requirement for all Authorised Push Payment (APP) scams. These scams occur when an individual is deceived into voluntarily making an automatic payment to an unintended

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<sup>6</sup> Bill C-15, *supra* note 1.

<sup>7</sup> "Online Banking Fraud: Protecting Consumers from Unauthorized Transactions," *HillNotes*, October 21, 2025, online: <<https://hillnotes.ca/2025/10/21/online-banking-fraud-protecting-consumers-from-unauthorized-transactions/>>.

recipient or for an unintended purpose. These payments are typically made over an online platform like the Faster Payments system commonly used in the UK.<sup>8</sup>

- 35- Under the UK policy, victims of APP fraud are reimbursed up to a limit of £85,000 for domestic APP transfers within the UK via a regulated payment system. Victims must be reimbursed within 5 to 35 business days from making a claim.<sup>9</sup>
- 36- The APP mandatory reimbursement policy has had widespread positive results according to UK Payment Systems Regulator data. After the first 9 months of the policy's implementation, data shows that 88% of money lost to APP scams in the scope of the policy was returned to victims, totalling £112m.<sup>10</sup> Overall claims volumes were down 15% between June 2024 and October 2023.<sup>11</sup> PSR reports that the system has been functioning smoothly and has succeeded in improving consumer protections and incentivizing firms to prevent fraudulent transactions.<sup>12</sup>
- 37- Other jurisdictions are moving towards shifting liability towards banks and other service providers. In the EU, the European Parliament and Council announced a provisional agreement in November 2025 to revise existing legislation to include new consumer protections when fraud occurs.<sup>13</sup> The reforms would shift responsibility to banks to compensate victims of fraud where banks did not take necessary anti-fraud precautions.<sup>14</sup> New laws would additionally expose Big Tech giants to potential liability for fraud that occurred on their platforms.<sup>15</sup>
- 38- PIAC notes that the UK policy has limitations. Namely, the policy only applies to automatic push payments and does not allow compensation for all forms of fraudulent transactions. The policy also only covers up to £85,000, which would fail to remedy cases where more money is lost. This is particularly concerning for low-income consumers and other vulnerable consumers who have in some cases lost entire life savings to fraud.

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<sup>8</sup> Payment Systems Regulator, "PS25/5 APP Scams Reimbursement Consolidated Policy Statement," (May 21, 2025), online: <<https://www.psr.org.uk/media/rhelv4op/ps25-5-app-scams-reimbursement-consolidated-policy-statement-may-2025.pdf>>.

<sup>9</sup> PSR, "APP fraud reimbursement protections," online: <<https://www.psr.org.uk/information-for-consumers/app-fraud-reimbursement-protections/>>.

<sup>10</sup> "One Year On: Impact of APP Reimbursement on Victims," Payment Systems Regulator, (October 8, 2025) online: <<https://www.psr.org.uk/news-and-updates/latest-news/news/one-year-on-impact-of-app-reimbursement-on-victims/>>.

<sup>11</sup> *Ibid.*

<sup>12</sup> *Ibid.*

<sup>13</sup> Antoine Fagant, "Lutte contre les fraudes en ligne : l'Europe serre la vis, une 'avancée' pour les associations de consommateurs," L'Humanité, (December 6, 2025) online : <<https://www.humanite.fr/social-et-economie/fraudes/lutte-contre-les-fraudes-en-ligne-leurope-serre-la-vis-une-avancee-pour-les-associations-de-consommateurs>>.

<sup>14</sup> *Ibid.*

<sup>15</sup> *Ibid.*

- 39- PIAC recommends that Canada's anti-fraud strategy go a step further than the UK's in ensuring zero consumer liability for all forms of fraud. We should use other jurisdictions as a jumping off point and ultimately aim to do better.
- 40- If a zero-liability framework is not implemented, PIAC recommends that Bill C-15 be amended to reflect a standard of compensation that corresponds to existing entitlements for other payment methods. The policy for capping credit card liability at \$50 for unauthorized payments should extend to all payment methods.
- 41- Quebec recently implemented additional consumer protections in the event of fraud, with s 65.1 and s.65.2 added to *Quebec's Consumer Protection Act* to limit consumer liability for unauthorized and authorized use of a deposit account.<sup>16</sup> These protections will allow for compensation in cases of debit card fraud above \$50 barring gross negligence.<sup>17</sup>
- 42- The federal government should enact changes that are in line with provincial consumer protection laws like those of Quebec. PIAC supports uniform protections against fraud across all provinces and territories. We support reversing the onus in cases of compensation for cases of fraud, with banks having full liability by default. Any future law that provides exceptions to this rule must be supported with substantive evidence that is publicly available for scrutiny. Any law or regulation that provides for consumer liability in cases of gross negligence should also be clearly laid out.

**d. Enforceability**

- 43- PIAC recommends that Bill C-15 explicitly state the mechanisms through which banks will be held accountable should they not comply with consumer protection requirements in the event of fraud. PIAC supports the use of strong mechanisms against financial institutions to deter non-compliance, such as Administrative Monetary Penalties (AMPs).

\*\*\*End of Document\*\*\*

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<sup>16</sup> *An Act to protect consumers against abusive commercial practices and to offer better transparency with respect to prices and credit*, 2024, c 32 (Qué.), assented November 7, 2024.

<sup>17</sup> *Ibid.*