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## FCNB Senior Engagement Sessions

### *Final Report, July 2015*

## Senior Initiative Background

In November, 2014, FCNB hosted a number of registrant outreach sessions in New Brunswick. Many of the attendees reported that they have had occasion where they have suspected financial exploitation of a senior client, but have concerns that there is no avenue to report it.

FCNB's vision is to encourage "a confident, dynamic and informed financial and consumer marketplace for New Brunswick" and FCNB has made combatting senior financial abuse is a strategic priority. Taking preventative measures against the financial exploitation and abuse of the aging New Brunswick population makes sense, considering its predicted growth in the next 20 years.

The Seniors Team was assembled with representation from each division of FCNB. The first step in our efforts was to have a better understanding of the issues, challenges and barriers older New Brunswickers face when accessing and using financial products, services and benefits. To further understand the issues raised by attendees at our registrant outreach sessions, we held a number of senior engagement sessions around the province, through April and May, 2015.

The goals of these sessions were to hear from seniors about their concerns and experiences in accessing and using financial and consumer services, and to hear from those who are close to seniors (such as family members) or who are influential in the senior community (such as religious leaders, politicians, rotary club members, etc.)

The discussion topics were based on three areas the team needed to learn more:

- 1) What kind of information do seniors need?  
*What is the number one thing that seniors believe would be helpful to know about financial services?*
- 2) What are the issues being faced by seniors or their caregivers?  
*Have you or anyone you know ever experienced difficulty accessing financial services, or have you ever felt financially taken advantage of by someone?*
- 3) What does the perfect situation look like to you?  
*If you had everything you needed to meet your financial needs and feel comfortable accessing and using financial services, what would that look like?*

Throughout the course of the senior engagement sessions FCNB staff spoke with seniors from around the province. After compiling the notes, questions, and stories that participants shared, it became clear that there are common concerns shared by seniors and those close to them across the province.

## Key Issues Discussed

This report highlights the areas in which participants expressed the greatest concerns and which sparked the most conversation.

1. Dealing with diminished capacity
2. Estate planning (in particular Power of Attorney)
3. Saving and investing
4. Frauds and scams (in particular telephone scams) and;
5. Housing and caregivers
6. Financial products and services

The report also includes an overview of other concerns and issues raised during each event, stories and experiences shared by participants, and specific questions and suggestions FCNB received.

## 1. Diminished Capacity

The topic of diminished capacity comes up often when discussing the issue of financial abuse of older people, and the engagement sessions were no exception. FCNB staff heard stories about the difficulties of family members caring for someone with dementia. One attendee shared a story of a woman with dementia who is wrongfully accusing her husband (who is caring for her) of abusing her.

A very large concern at one of the sessions was about the process to have someone declared incompetent to handle their own affairs. A couple told a story about the husband's mother losing capacity and giving all of her money and worldly goods away. The son tried to stop it by having her placed before a committee and evaluated for competence. He noted this process was not fast and in the interim she was able to give away more of her estate to unscrupulous people, preying on her lack of capacity. He also noted that the process was incredibly costly. He and his wife spent upwards of \$8,000-\$10,000 on the application. They both felt there had to be a better system with an increased senior population vulnerable to capacity issues.

There was also a concern about what elderly people are to do when they have nobody to handle their affairs. Attendees discussed the role of the public trustee and if the public trustee should have more of a presence and do more education and outreach in the province with an aging population. Some participants suggested that naming a second person (for contact purposes only) would be a good idea on accounts at credit unions, on insurance accounts, pension accounts and securities in case someone suffers diminished capacity. They noted this should be voluntary however and that there should be the option to name the public trustee.

While many suggestions were made, it is clear that the issue of diminished capacity requires a more fulsome discussion with a broader group of stakeholders including subject matter experts from the medical, financial and social development arenas.

## 2. Estate Planning

One of the most dominant issues attendees expressed was the need for more education and information for people earlier in their life around estate planning, preparing for unexpected health issues and/or the death of a spouse. Many seniors in attendance had similar questions and general confusion around the role, definition, and costs associated with:

- Power of Attorney (POA)
- Power of Committee
- Wills
- Probate

There were also concerns shared, throughout the province, about the abuse of Power of Attorney and the difficulty of acquiring and using a POA. Those in attendance felt that there were too many barriers to obtaining and using a POA and were concerned and frustrated with the lack of standard form, process, or type of information one is required to provide when trying to carry out POA duties. Financial services professionals also expressed concerns that there are inadequate controls or processes in place to allow abuse of Power of Attorney to be controlled.

Participants felt that there was an opportunity for financial institutions to play a larger more responsible role in curtailing abuse of Power of Attorney by implementing guidelines or training to empower employees to take action when something raises a red flag. They also felt that, in particular when facing issues such as diminished capacity, education was needed in formats other than just a printed resource and that the lawyer working with the client to create a POA should provide this in-person education.

### ***More education is needed - a common theme of estate planning discussions***

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Some participants did not see the value (or expressed the challenge in getting people to see the value) in paying for the services of a lawyer to prepare a Will or a Power of Attorney document when they felt it was something they could do themselves. Some shared that many people they know don't have a POA or Will. Others thought that dealing with abuse of POA (such as trying to prove it or bring the perpetrator to justice) is too complicated, lengthy and cost prohibitive process and nothing could be done about the abuse without ample financial resources.

### ***Estate Planning questions from participants:***

- If you are paid to be executor do you have to claim it on income tax?
- Do you have to have a Power of Attorney?
- What is the difference between Power of Attorney and Committee?
- Is a living will the same thing as Power of Attorney?
- What happens to your Power of Attorney after you die?
- What is an enduring power of attorney?
- Do you need a new Will if you move to another province?
- Do you need a new Will due to the passage of time?
- How many people should I have with Power of Attorney?
- Does my Power of Attorney have to be a child/relative?
- What is the difference between a Will and a Power of Attorney?

### ***Stories and experiences shared:***

“Being executor of a Will is a lot of responsibility and there is the uncertainty of dealing with family who may or may not contest the Will.”

“Living far away from the family member for whom you are acting as Power of Attorney makes it very difficult to carry out transactions and decision making.”

One lady shared that when she was acting as Power of Attorney she had to sign a document saying that she was using the money for the donor each time she accessed the donor's bank account.

A lady shared the story of her mother who was taken advantage of by a family member who had Power Of Attorney. The daughter wasn't living close by and it was all done behind her back. It took some time to figure out what was going on, and when she did, she didn't report because it was a family member. "It's not the type of person I am" she said. Now, her mother doesn't trust anyone – including her.

Another attendee told a story about an individual who has Power of Attorney for their mother. The individual bought their mother an expensive Christmas present with the mother's own money.

### 3. Saving and Investing

Attendees had varying levels of comfort with, and knowledge about, saving and investment products. Products in question ranged from RRSPs and RRIFs to reverse mortgages. Some participants shared that they would feel more comfortable if they had someone they trusted who could explain the products and how they work. Others suggested more education is required for people who will soon be seniors on topics such as POA, investing, estate planning etc. However, again attendees expressed that it would be a challenge to get people to part with their money in exchange for professional advice.

Others, due to life circumstances, did not feel adequately prepared in terms of savings. Many expressed concerns about dealing with increasing prices while living on fixed income and a desire for education and information about how to adjust lifestyles and cut costs in order to live within their means.

#### Prices are rising, but our income is not – how do we manage this?

Attendees also expressed concerns around the uncertainty of what happens when their current adviser retires. In particular they had concerns about being assigned a new adviser without warning.

#### Saving and Investing Questions from Participants:

- Are reverse mortgages legitimate? How can we tell if they are a "good deal"?
- What happens when my financial adviser changes companies?
- What happens if my account is not large enough for the new adviser to want to work with me?

#### Stories and Experiences Shared

"When I had to transfer my money from my RRSP to a RRIF I did not understand what it was or how it worked. How was I going to access my money? Would taking money out of the RRIF affect my Canada pension, supplements, and other benefits?"

One participant shared her story of getting divorced at age 54. She had been married since she was 16 and was a stay at home mother. Without employment, after her divorce she had to live on her retirement savings until the age of 65 when she started receiving CPP. As a result, her retirement income is low because her savings were gone by age 65.

Another participant shared with us concerns about inappropriate recommendations and advice received by investment advisers. When his friend got a new financial adviser who recommended that he invest aggressively with less than five years until retirement, the individual lost a significant amount of money. Another participant shared with us that they feel changes to government programs cause fear and confusion and, in many cases, lead to seniors making a knee-jerk financial decision (such as removing their money from their investments, and paying a higher tax bill, because they are afraid of what will happen to their assets.)

One participant shared that their financial adviser moved to another company and didn't want to carry the individual's account over to the company because it wasn't a large enough amount. The client hasn't been able to get in touch with him and she hasn't been assigned a new adviser.

#### 4. Frauds and Scams

FCNB staff heard that without question, telephone fraud is a problem. While most participants who shared stories did not fall for these calls, they did report receiving a very large volume of telemarketing calls (such as the cruise winning call), scams (such as the Microsoft scam and the emergency/grandparents scam) and identity theft scams (calls from their own phone number, or calls requesting SIN number etc.). Some who received high volumes of calls despite being on the Do Not Call List expressed it seemed like a hopeless problem that nothing was being done about.

Many people in attendance were confident they would not fall for these types of scams and seemed well informed. However they expressed concerns for those who are lonely, living alone or who are less active in the community, worrying that they would not necessarily hang up or readily identify it as a scam because they wanted someone to talk to.

***“Fraud and abuse is scary because it happens so quickly and happens to people who you wouldn't think would be a victim”***

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While not all participants had regular access to computers, many did. Those who were active online saw the internet, email and social media as a double edged sword - an opportunity to be targeted by a scam AND an opportunity to warn people by sharing information about scams. Participants told us that they see a lot of posts warning them about frauds that they should be on the look-out for.

One participant felt very strongly that the regulator could do more to protect investors which served to highlight an opportunity for FCNB to provide more information on identifying fraudulent emails, recognizing when a phone call is a scam artist, and saying no to high pressure sellers. At many of the events, participants expressed a desire for more information on these topics.

#### Frauds and Scams Questions from Participants

- Can FCNB provide guidance on what is a scam email?
- Is there a way to identify emails as fraudulent or not from North America?
- How can you say no to hard sellers/solicitation?
- How do you know if the person calling is a scam artist or not? What if it is your bank?

### Stories and Experiences Shared

One participant shared the story of how his mother was taken advantage of in a phone solicitation and how he found out. Without his father finding out either, his mother sent the scammer their life savings and maxed credit cards to continue to give money to the scam. It wasn't until she had asked her son if he thought a contractor would take his payment in installments that he suspected something was wrong. Knowing their financial situation, the son found this suspicious, and when he started looking into it all the money was gone.

Another senior told the story of how she fell victim to the Microsoft scam. Despite being very aware of frauds, scams and unsolicited phone calls, the scammer happened to call at a time she was particularly frustrated with her computer running slowly. She recalled thinking to herself "Oh just once, trust." Once the scam artist connected to her computer, she recognized that something was not right, and unplugged the computer to disconnect the scammer (who called her back immediately, and she told him she was on to his scam). She called her credit card company to report that she was involved in a scam immediately.

## **5. Housing and Caregivers**

Monitoring, regulation and pay were common themes when caregivers were discussed. Many felt that more monitoring of independent caregivers was required and shared stories of inappropriate situations (such as showing up for work under the influence of drugs or alcohol, or exploiting the relationship the caregiver has with the senior to extort money from the senior to help with personal expenses such as car repairs etc.) Some felt that in light of this there should be regulation about taking money from clients, similar to how some positions cannot accept tips or gifts from clients.

One participant said that home workers should be regulated and that people should be made aware of this requirement, however there was confusion around the table on whether they needed to be or not and who you check with to see if they were registered.

***"Once a senior is flagged as 'difficult' it can be very hard to get consistent care."***

Many attendees shared concerns about inadequate local resources. They felt the low number of local caregivers resulted out of town resources traveling long distances or seniors experiencing long wait times to get a caregiver. Some felt that improving the pay scale would help attract and retain more skilled workers and help protect seniors from fraud. The main concern shared by attendees was that if there were not enough local resources, a senior labeled "difficult to work with" may be waiting even longer for the necessary care. Further, they may resort to working with someone who does not have their best interests at heart, or who may not have the proper training to perform the job.

Some suggested that all care workers be government employees rather than allowing independent private companies. They felt that this may offer the opportunity for standardized training and background checks providing more protection for the seniors.

One senior expressed the concern over the shortage of senior housing options. Many seniors are selling their home (or would like to) but find that some retirement homes and similar options are cost prohibitive. There are concerns about the condition that a lot of the homes are in. Finally, there is the concern about seniors being taken advantage of in nursing homes by family members. They take the senior's money saying they need it for their care but aren't giving everything to the senior.

There were caregivers present at some of the sessions and they were able to share their concerns as well. We heard that they see a lot of issues relating to seniors requiring assistance with maintenance, errands, etc., but do not have families or POA who are willing or able to help out. One participant, who works in in-home care, shared that sometimes these nursing home care workers are taking money to do these tasks and feel uncomfortable doing so, but do not want to see the senior go without.

#### Housing and Caregiver Stories and Experiences Shared

"My mother has paranoia and thinks people are stealing or wrecking her things. It makes it really hard for her to get a caregiver because she is now flagged as 'difficult'."

"The decision to move mom into a nursing home was difficult. When seniors wait too long to make the decision to move they do not feel like they are making their own decision and feel forced."

"The homecare worker just stopped showing up to my mom's house because she went to work for someone else. The company didn't notify the mother or family and it took two weeks to get a new caregiver. When they get a new caregiver, it can be hard for an older person to adjust."

An attendee shared the experience of a caregiver who cleaned out the house, stole money and trunks full of quilts and other family treasures, while another attendee shared that she saw a caregiver abusing a lady in the mall being and being really sassy. She wished she'd reported it but didn't want to get involved.

One participant knew a man who was very sick and the family hired a caregiver. The caregiver worked for the family for seven years. During this time, he was getting the patient to sign documents unknown to the family. The man was too sick to know what he was signing. When he passed away, the caregiver passed himself off as the live-in-lover and showed documents signing things over to him.

## **6. Financial Products and Services**

While not discussed as predominantly as other topics, banking and financial products and services did come up in the course of the engagement sessions. Below is a brief overview of the comments raised:

### **Banking:**

Seniors and caregivers alike shared concerns around debit cards, and senior's access to their funds. Issues arise if a senior forgets their PIN, or if a senior does not have a family member or a friend available to help them with day to day transactions (caregivers expressed discomfort at playing this role due to the increased risk of abuse or the perception of exploitation). One participant shared a story of

her mother providing her caregiver with her PIN and not understanding the importance of keeping this personal information safe.

At one session, a discussion around freezing assets for a period to time if they suspected exploitation took place. It was fairly evident that people would be very reluctant to do this without there being a good faith clause to protect them. Many seniors in attendance also wanted to see increased obligations and responsibilities of financial institutions to monitor transactions more frequently (to be able to pick up on strange or non-normal transactions and activity), such as having the institutions use a “know your client/member” form to be able to better pick up on out of the ordinary behaviour or requests.

#### **Credit and Debt:**

Attendees felt that since it is relatively easy to get a credit card, many seniors get into trouble with debt. It can be difficult to say no when offered higher credit limits and faced with upselling to additional cards or new types of accounts. There was some confusion around credit reporting agencies and attendees felt that more education was needed around credit checks and protecting your identity. The accessibility of payday loans was also concerning to many attendees.

The privacy and security of debit cards was also raised. In particular staff heard of instances where a senior would provide their PIN to a caregiver, spouse or family member. Sharing a PIN weakens the account holder’s position should any fraudulent activity take place. The same holds for writing down a PIN or password. This is especially concerning if there is heightened risk or vulnerability to financial abuse.

*“Easy access to credit and increasing debt levels are a cause for concern.”*

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#### **Insurance:**

It was generally agreed to be a complicated topic, and attendees had many stories to share. Overall they felt that companies do not do enough to make insurance products and policies easy to understand. We heard that more information is needed about how insurance works. Some attendees also felt more consumer advocacy was needed.

*“Be careful about things advertised for seniors.  
It could turn out to be just a big scam”*

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### **Recognizing and Reporting Financial Abuse**

There is general confusion around the process and requirements for reporting financial abuse. We have heard many stories of suspected cases of financial abuse going unreported for a number of reasons, include a lack of awareness of the process to report and low understanding of the roles of the various players in the process.

Legislatively, financial abuse is not required to be reported to a regulatory agency and is usually only investigated in the context of the investigation of some sort of physical abuse or mental cruelty. In addition, there are privacy issues to consider. There is no exemption or protection for those who would otherwise report financial abuse.

### *Recognizing*

Some of the stories that staff heard during the course of these engagement events made it clear that there is confusion around what constitutes financial abuse, particularly when family members are involved. There was concern raised about the misuse and abuse of money by younger generations of the older population (particularly emotional or mental abuse/manipulation in order to control the older person's money). The need for education was once again raised and participants often suggested outreach and education on this topic is necessary to show seniors that it really IS abuse and not just the everyday wrangling of families. Another suggestion was to establish community volunteers for financial information and assistance, such as a financial advocate for seniors.

### *Reporting*

It is well understood that financial abuse is severely underreported. Attendees shared a number of reasons why they, or those around them, chose not to report:

- Some people do not have anyone they trust to be able to talk about these things
- Parents do not want to admit that their children would financially abuse them
- The abused person is scared of the abuser
- It's a family member
- You want to maintain good relationships with your neighbours and friends
- Fear of backlash at the workplace, or
- Not knowing where or how to report

Many of the participants felt these barriers could be reduced or eliminated if a safe, anonymous reporting option was in place. We also heard that when complaints are brought forward, more action is needed, including follow up so that the person who reported knows what is being done (or is going to be done), and more support or guidance on what to do if the victim does not want to report the abuse, or refuses offers of assistance.

### **Additional Topics Raised**

While this report covered the dominant issues that we heard at nearly each event, there were many other topics that attendees brought up in the course of discussions:

**Provincial Programs:** Given the timing of our engagement events, there was much discussion and confusion around the role of FCNB and the role of GNB in the changes to nursing home costing and participants shared with us their thoughts about the changes announced in the provincial budget. Overall we heard that when there are major changes to provincial programs it often causes fear and/or confusion among seniors. In this particular instance, we heard that many seniors (or their friends) are taking or being encouraged to take their money out of their investments to keep it "safe", resulting in a higher tax bill and other potential claw backs to income dependent benefits. This is concerning for us as it opens the doors to scammers approaching seniors with promises to help them with financial planning to protect their assets.

*Knee jerk financial decision making can be a scammers dream come true.*

We also heard stories about many people going out of their way to hide assets or spend all of their money. People are giving away their money, spending it on their children or on unnecessary home renovations just to spend money and get rid of it.

**Age and Gender:** Ageism and gender was a concern as well. Some participants shared their concerns about the pressure for women of their generation to “not make a fuss” and not question things, despite all education pieces saying to ask questions and do your homework. There was also concern expressed about women living longer than men, but not always being the primary income source, or the one who had traditionally managed the finances.

### *“Women are at the bottom of the socio-economic ladder”*

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**Trust:** Trust was also a major point of concern with many participants expressing frustration – it’s difficult to trust that the people who are helping are acting in your best interest. Even a family member can be difficult to trust because, they may have difficulties managing their own finances, or the people your children marry may impact the decisions they make.

**Charitable Giving Concerns:** At one event, charitable giving was a big topic of discussion. Attendees felt that more information was needed to help understand charitable giving, how to recognize legitimate charities, and how to protect oneself from fraudulent charities. Some issues that were raised included receiving many requests for donations by mail, and some charities taking payments that are larger or more frequent than agreed to.

**Access to Technology:** Seniors who aren’t on computers can become isolated in their residence and they become good prey. We heard many people express frustration because they do not have regular (or any) access to a computer and it is very difficult to get in touch with government or find information if you are not on a computer. We also heard that using IVR through phone lines is very challenging. Some seniors have smart phones but they are for emergency purposes and are hard for seniors to learn how to use easily – even just to make phone calls. It was clear that providing information only in an electronic format was not the answer. Printed information (such as advertisements on phone bills, power bills, energy bills) was generally agreed to be the better method.

**Healthcare concerns:** The cost of healthcare was an issue raised by some participants. They felt that there is a need for more affordable plans for prescription medication. Private plans are cost prohibitive, as are the premiums for government plans.

**Federal Benefits Concerns:** We heard a lot of questions and confusion around navigating the system of Federal Benefits after someone passes away (CPP/old age/GST rebate). There was also an issue due to inconsistent age requirements for benefits. Some participants also felt that CPP should be at least the equivalent of minimum wage.

## **Conclusion**

The Seniors Team’s next step is to plan an event bringing key stakeholders together. Using this report and the issues raised during the engagement sessions as the basis for discussions the group plans to use this

event to develop proactive solutions and programs, leveraging the skill sets and resources of all participants. These roundtables will be held in the fall of 2015.

## Appendix A: Recommendations and Suggestions

We heard many ideas, recommendations and suggestions from participants:

Tools to develop:

- Start an email list server of scams and build a community to distribute this information.
- Provide education presentations on a disk to be given to organizations. Include short videos – they can relay good information.
- Develop a publication about:
  - navigating the system (how to close accounts / where to call for Federal Benefits etc.) Perhaps this can be distributed by all funeral homes.
  - Personal finance guide for seniors.
- Provide more information and/or hold education sessions about
  - obtaining a credit report.
  - telephone and internet frauds and scams.
  - Power of Attorney.
  - Identifying a scam email.

Connecting, Networking and Partnering:

- Wellness fairs are a good place to be to connect with seniors and share information
- Provincial retired teachers' association biannual meeting
- Union groups
- Annual Crimestopper conferences
- CARP

Improving Communications:

- Legislation needs to identify and define “Financial Abuse”
- Skits work really well getting the information out
- Use short videos
- Use PSA's to alert about scams
- Have FCNB phone number in the blue pages
- Use keywords like “fraud” and “consumer protection” to explain the role of FCNB
- Make the complaint process easier to find on your website
- Strengthen communication in a number of areas:
  - Between government organizations and government agencies – share resources and ideas with each other. Consolidate efforts to stop “financial abuse.”
  - Between government organizations and general public – advertise the resources available to the public. Educate the public on what “financial abuse” is and how to identify it.
- Contracts and printed information (in particular that which needs to be signed) needs to be improved. Seniors often may not understand because:
  - The font size is usually too small;
  - Literacy problems;
  - It is not plain language (the legal or formal words used in a contract are not commonly used words);

- The formal French terms in financial and legal language are not always commonly used, making it, at times difficult to understand a contract even if written in your own language.

Building community:

- Create a governing organization devoted to helping seniors and giving them guidance on a wide range of issues;
- Put information in the hands of 40 & 50 year olds who are planning for retirement and/or responsible for taking care of aging parents.