

BACKGROUND: DEBT COLLECTION IN BC

OVERVIEW

Consumer Protection BC is responsible for regulating and enforcing BC’s laws that address the business practices of debt collectors, bailiffs and debt repayment agents. Whether operating in BC or communicating with BC consumers, all debt collectors, bailiffs and debt repayment agents are required to be licensed with Consumer Protection BC and meet the requirements of the [Business Practices and Consumer Protection Act](#) and the [Debt Collection and Repayment Regulation](#). These laws are in place to protect consumers a variety of ways, including regulating communication practices and safeguarding consumer money.

THE DEBT COLLECTION LAW IN BC

BC’s debt collection laws, administered by Consumer Protection BC, speak to the responsibilities of debt collectors as well as to consumer rights. These laws are in place to ensure debt collectors treat consumers in a fair manner, following set communication rules and procedures. For example, debt collectors are prohibited from harassing debtors and must follow specific collection practices (such as calling only at permitted hours). It is important to know that these laws apply to debt collectors who are in BC as well as to debt collectors who are contacting BC consumers about debts owed.

2018 - 2020: DEBT COLLECTION BY THE NUMBERS

Licensed places, activities and occupations:

BC-licensed debt collection agencies, collectors, repayment agents or bailiffs	2018	2019	2020
	3,870	3,705	3,895

Consumer inquiries:

- 2018: There were 1,385 inquiries about the debt sector, representing 12% of all calls and emails (11,177). Topics of interest included:
 1. Debt in dispute (21% of debt sector-related inquiries)
 2. Frequency of calls (15%)
 3. Collector behavior (13%)
- 2019: There were 1,306 inquiries about the debt sector, representing 12% of all calls and emails (11,221). Topics of interest included:
 1. Debt in dispute (20% of debt sector-related inquiries)
 2. Follow up on written communication request (12%)
 3. Frequency of calls (11%)
- 2020: There were 868 inquiries about the debt sector, representing 6% of all calls and emails (15,423). Topics of interest included:
 1. Debt in dispute (23% of debt sector-related inquiries)

2. Collector behaviour (16%)
3. General inquiry (10%)
4. Frequency of calls (9%)

Investigations:

- 2018: There were a total of 37 debt-related investigation files. Of those, 24 files concluded with an outcome and 13 files were incomplete, unfounded or referred elsewhere. Of those 24 files with an outcome, 17 enforcement actions were taken, and voluntary compliance was achieved in 7 cases.
- 2019: There were a total of 14 debt-related investigation files. Of those, 13 files concluded with an outcome and 1 file was incomplete, unfounded or referred elsewhere. Of those 13 files with an outcome, 10 enforcement actions were taken, and voluntary compliance was achieved in 3 cases.
- 2020: There were a total of 11 debt-related investigation files. Of those, 7 files concluded with an outcome and 4 files were incomplete, unfounded or referred elsewhere. Of those 7 files with an outcome, 1 enforcement action was taken, and voluntary compliance was achieved in 6 cases.

Contraventions when enforcement action was taken	2018	2019	2020	Total
	17	10	1	28
Harassment of the debtor	1	2	0	3
Continuing to contact the debtor despite communication in writing only request	4	0	1	5
Communication with people who are not the debtor	1	1	0	2
Debt collection from people who are not the debtor or collecting excess amount	1	1	0	2
Continuing with legal proceeding after a debt is assigned to a collector	0	1	0	1
Removal, seizure, repossession and distress of the debtor's property	1	0	0	1
Use of false or misleading information and misrepresentations	1	1	0	2
Operating without a licence	4	3	0	7
Providing misleading information and failure to provide information or comply	0	1	0	1
Not submitting annual financial statement	2	0	0	2
Not providing security	2	0	0	2

BUSINESS OBLIGATIONS OVERVIEW

By law, debt collectors operating in BC or communicating with BC debtors:

- Must not call on a statutory holiday or place a collect call to a debtor.
- Must not continue to contact a consumer if the debt has been properly disputed.
- Must not ask for money be sent in a way that costs the debtor money (i.e. registered mail).
- Must not continue to contact a debtor by telephone if the debtor has properly requested communication in writing only.

- Must not give the debtor a document made to look like an official court document when it is not.
- Are only allowed to contact a consumer's employer for the sole purpose of confirming the consumer's employment status, title and business address in preparation for a legal proceeding to take place (or if the consumer has given permission).
- Are permitted to take legal action against a debtor.
- Can use email to communicate with debtors.

CONSUMER RIGHTS OVERVIEW

By law, BC consumers:

- Have the right to request communication in writing only, putting a stop to telephone calls from debt collectors.
- Have the right not to be contacted about a debt that is not theirs.
- Have the right to dispute a debt they feel they do not owe.

CONSUMER TIPS

- 1. Understand your responsibilities.** If you get a call from a debt collector, we suggest you answer the phone and talk to the person on the other end as ignoring the calls will not make the problem go away. When you speak to the debt collector, remember you have the right to receive details about the debt. It is important to remember that debt collectors are allowed to contact you about the debts you owe (once the debt is due and payable, not before).
- 2. Put a stop to the calls.** Getting repeated calls about a debt can be stressful. By law, you can request that a collection agency only contact you in writing only. For more information, [visit our Consumer Help page](#) and access the Request for Communication in Writing Only form. (Please note that this does not change the status of your debt.)
- 3. Know where to go for help.** We license and regulate debt collectors within the province. For more information or to file a complaint, please visit our website at www.consumerprotectionbc.ca.

ENFORCEMENT ACTIONS

To maintain the integrity of our investigative processes, we do not share detailed information about open files. Visit the [Enforcement Actions section of our website](#) to explore our recent licensing and enforcement actions.

FOR MORE INFORMATION

Explore www.consumerprotectionbc.ca for more information for both consumers and regulated businesses. Additional statistical information is also available in our [annual reports](#). We also share information and consumer tips on [Facebook](#), [Instagram](#), [YouTube](#) and in [our corporate blog](#).