

**Ministry of
Consumer
Services**

**Ministère des
Services aux
consommateurs**



Office of the Director

Bureau du directeur

Consumer Protection
Branch
5775 Yonge Street,
Suite 1500
Toronto ON M7A 2E5
Tel.: 416 326-8611
Toll-free: 1 800 889-
9768
Fax: 416 326-8665

Direction de la protection du
consommateur
5775, rue Yonge, bureau 1500
Toronto ON M7A 2E5
Tél. : 416 326-8611
Sans frais : 1 800 889-9768
Télééc. : 416 326-8665

January 24, 2011

Mark Anthony Silverthorn Law Offices
30 Duke Street West,
10th Floor, Suite 1001
Kitchener ON N2H 3W5

Dear Mr. Silverthorn:

The Honorable John Gerretsen, Minister of Consumer Services, has asked me to respond to your letter of November 12, 2010 to the Honourable Dalton McGuinty, which has been forwarded to his attention, as well as your letter of September 20, 2009 which you brought to the attention of MPP Julia Munro. In your letters, you make reference to a number of collection agency practices, involving one collection agency in particular, and ask that the office of the Registrar of Collection Agencies take appropriate action to address your concerns. You also express concern with the adequacy of enforcement action taken by the Ministry.

The Ministry of Consumer Services takes seriously its responsibility to regulate collection agencies and enforce compliance with the *Collection Agencies Act* (the Act). Each complaint received about a registrant is addressed with the collection agency with a view to resolving the immediate concern and ensuring future compliance with the requirements of the Act. Where those efforts are unsuccessful, the Registrar of Collection Agencies may take steps to revoke the registration of the collection agency in question and may institute an investigation that can lead to charges being laid for contravention of the Act.

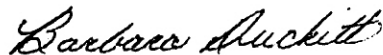
In your letter to the Registrar dated September 29, 2009, you provided examples of a number of cases in which your clients received draft Statements of Claim from Natale Law Offices in relation to matters involving Global Credit and Collection Inc. Your letter makes reference to a letter dated October 27, 2008, sent by the Registrar of Collection Agencies to registered collection agencies, putting them on notice that certain practices involving draft statements of claim and the use of law firms to send collection letters would not be tolerated. I am advised that your September 29, 2009 letter was misplaced and you received no response to same. Please accept my apologies for this oversight.

I am advised that Mr. Brian Pitkin, the Registrar of Collection Agencies, has contacted you by telephone to apologize for this oversight. I am also advised that he wrote to you on December 4, 2010, advising you that he had met with the management of Global Credit and Collections Inc. on November 12, 2010 to address the apparent failure of the collection agency to comply with the direction in his letter dated October 27, 2008 and to make them aware of the consequences of any continued contravention of the Act. The Registrar was assured that any use of draft Statements of Claim would be discontinued immediately and any lawyer acting for the collection agency would be immediately instructed not to include any draft Statements of Claim in correspondence written on the agency's behalf.

Statistics gathered by the Ministry with respect to complaints against collection agencies indicate a significant reduction in the number of complaints relating to the issuance of draft Statements of Claim following the action taken by the Registrar. The Registrar will continue to monitor calls to the Ministry and will respond promptly if made aware of further contraventions on the part of Global Credit and Collections Inc. If you become aware that any of your clients have been provided with a draft Statement of Claim by Global Credit and Collections Inc. or any other collection agency, please do not hesitate to contact me.

Thank you for your interest in this matter and your efforts on behalf of Ontario consumers.

Sincerely,



Barbara Duckitt
Director, Consumer Protection Branch

c. The Honourable Dalton McGuinty, Premier

MPP Julia Munro, York-Simcoe