Consumer Rights

Is a **collection agency** harassing you?

In Ontario, there are laws about what collection agencies are allowed to do.

What are collection agencies?

If someone claims that you owe them money, they might hire a collection agency to get you to pay.

If a collection agency contacts you and you are not sure that you owe money, do not let them pressure you into doing something right away. Talk to a lawyer or community legal clinic **before** you sign anything or make any payments. There is information on page 5 about how to find a community legal clinic.

You could lose some of your rights to dispute a claim against you if you:

- make a payment,
- offer to pay, or
- even say to a collection agency that you owe money.

What are the rules for collection agencies?

Collection agencies must be licensed. There are also rules about what collection agencies can do. Collection agencies that do not follow these rules could lose their license or be fined, and their employees could go to jail.

When collection agencies contact you, they must always tell you who they are and who has hired them.

There are also rules about what collection agencies cannot do. They cannot:

- ☒ demand that you pay more money than you owe,
- ☒ demand payment from you after you tell them you are not the person who owes money, unless they first try to make sure you are that person,
- ☒ charge you for their services,
- ☒ take you to court or threaten to take you to court without being authorized by the person you owe money to, or
- ☒ take you to court without first telling you that they plan to do this.

Can a collection agency phone me?

Yes, collection agencies can phone you. But they cannot:

- ☒ make phone calls or send telegrams that you will have to pay for,
- ☒ call on a Sunday or a statutory holiday,
- ☒ call before 7:00 in the morning or after 9:00 at night, or

- ☒ make harassing comments when they call, or call so often that their phone calls harass you or your family.

Each time they phone you, they must say:

- who they are,
- how much you owe, and
- who you owe the money to.

Can they phone people I know?

Yes, but there are rules about what they can ask. A collection agency can contact other people, such as your relatives, friends, neighbours, or employer, to get your address and telephone number. The only time they can ask for more information is if:

- ☑ the person they are calling guaranteed your debt,
- ☑ they are calling your employer to check your employment, or because your wages have been assigned or garnisheed.

It is against the law for a collection agency to give out any false or misleading information that could hurt you or your family. It is also against the law for a collection agency to even imply or suggest this kind of information.

What can I do if a collection agency is breaking the law?

There are several things you can do if a collection agency is harassing you.

- ☎ You can tell the collection agency that you object to being harassed and that you will not take their calls if they continue to harass you.

- ☎ You can contact the Ontario Ministry of Consumer and Business Services. Look for the phone number of your local Ministry office in the Government blue pages of your phone book. Or, call the Ministry at **1-800-889-9768** or **416-326-8800**. The Ministry's TTY numbers are **1-800-268-7095** and **416-325-3408**.

  Ask the Ministry to send you a complaint form and then fill it in and send it back. Keep a copy for yourself. You can also get a copy of the complaint form on the Ministry's Web site at <**www.cbs.gov.on.ca**>.

- ☎ You can contact the police. If the police believe there are grounds for criminal charges, they can charge the collection agency with an offence, such as extortion, threatening, or making harassing phone calls.

- ☎ You can contact the community legal clinic nearest you. Community legal clinics help people with low incomes.

Where can I go for help?

If you need help dealing with debts, you can contact your local credit counselling agency. They can help you manage your money and figure out a way to repay the money you owe.

You can call the Ontario Association of Credit Counselling Services at **1-888-746-3328** to find the office closest to you. Or, you can visit their Web site at <**www.indebt.org**>.

For more information on consumer protection laws, you can check with your local Ministry of Consumer and Business Services office.

If you are being harassed by a collection agency, try to get legal advice. You may be able to get free legal help at a community legal clinic. If a community legal clinic is not able to help you, staff at the clinic should be able to refer you to someone who can.

You can usually find the community legal clinic nearest you by looking under "Legal Aid" or "Lawyers" in your phone book. You can also contact Legal Aid Ontario at **1-800-668-8258** or **416-979-1446**. Or, you can check Legal Aid Ontario's Web site at <**www.legalaid.on.ca**>.

This publication contains general information. It is not a substitute for getting legal advice about your particular situation.

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