



INVESTMENT INDUSTRY ASSOCIATION OF CANADA
ASSOCIATION CANADIENNE DU COMMERCE DES VALEURS MOBILIÈRES

Ian C.W. Russell FCSI
President & Chief Executive Officer

July 29, 2009

The Honourable James Moore
Canadian Heritage and Official Languages
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Honourable James Moore:

We are writing to convey our concern with a segment which originally aired on CBC on April 12, 2009 and has since been re-broadcast. The segment entitled *Can you trust your financial advisor?* was shown on *CBC Sunday*. The Investment Industry Association of Canada (IIAC) and our member firms are extremely disappointed that the segment conveyed an imbalanced and inaccurate portrayal of professional Investment Advisors and the Canadian investment industry.

As the body which oversees the CBC, we request that you look into this matter and ensure that the segment is removed from the CBC's playlist and website. The segment has been aired a number of times and continues to harm the reputation of financial advisors and the investment industry.

The Investment Industry Association of Canada (IIAC) is the professional association for the securities industry, representing over 200 investment dealers in Canada. Our mandate is to promote efficient, fair and competitive capital markets for Canada and assist our member firms across the country.

The Department of Finance recently stated that "the financial services sector plays a critical role in a market economy, providing a means of channeling savings into various investment opportunities and driving economic growth. It provides the capital necessary for the growth of existing businesses and the start-up capital needed for new businesses. It also allows governments to finance new debt issues and support programs and services. At the same time, the sector enables Canadians to carry out their everyday financial transactions, including ...savings and wealth management ... The sector is also a significant contributor to Canada's economic growth and to job creation."

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The CBC had the opportunity to recognize the Canadian capital markets and economy has fared well compared with other industrialized countries, and describe the vital role of the investment industry helping Canadian families save for their education and retirement, and assisting governments and business raise debt and equity capital. The segment had a damaging impact on the savings-investment process in Canada by discouraging Canadians from seeking needed professional advice from qualified registered advisors and undermining confidence in the investment process.

All advisors registered with our members are approved by the Investment Industry Regulatory Organization of Canada (IIROC) and are held to high professional standards including stringent proficiency requirements involving formal and extensive training programs. Registered advisors must ensure that their clients are treated fairly and properly and must ensure their recommendations to their clients are suitable for their investment goals and risk. In the event that a client is not treated fairly, registered advisors are subject to consequences for their actions.

Furthermore, the reputation of most advisors is that they do an outstanding job catering to the interests of their clients. Independent research confirms that, on the whole, Canadians are happy with their financial advisors and trust the quality of their advice. For example, on July 6, 2009, the Joint Standing Committee on Retail Investor Issues released their survey of 1,000 investors. Almost all of the respondents (91%) consider their advisor to be among the top sources of information guiding their investment decisions.

The segment that was aired does not meet the CBC's mandate to present reliable information and balanced coverage. As such, it would be much appreciated if you prohibit the segment from being aired again.

We would be pleased to meet with you to discuss this matter further and provide any additional information you may require.

Yours sincerely,

Ian Russell

cc. Hubert Lacroix, President and CEO, CBC
Tim Casgrain, Chair, CBC Board of Directors