



NEWS RELEASE

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For Immediate Release

Canada's Investment Industry supports measures in *Ontario Economic Outlook and Fiscal Review*

Toronto, ON, November 15, 2018 – Today's *Ontario Economic Outlook and Fiscal Review* indicated that excessive regulation, lack of tax competitiveness and a rising public debt burden handicap economic growth and prosperity in the province.

The Investment Industry Association of Canada (IIAC) has long called for prudent fiscal management to give scope for tax reduction, incentives to promote capital formation in the small business sector, and cost-effective securities regulation, to boost Ontario's economic well-being.

The IIAC, representing 120 investment dealers participating in the Ontario financial sector, is pleased the government announced measures to boost competitiveness and confidence in the province. These include:

- Strong support for the Capital Markets Regulatory Authority (CMRA). This support, combined with the recent Supreme Court decision upholding the constitutionality of the CMRA, will add needed momentum to the cooperative regulator.
- Proposed legislative amendments to regulate CDOR and CORRA, key financial benchmarks in Canada, and ensure these benchmarks are recognized in international jurisdictions. This will facilitate the trading and distribution of Ontario securities in global markets.
- Legislative amendments to launch the new Financial Services Regulatory Authority of Ontario (FSRA). As the designated regulator for the insurance industry, FSRA will play a key role in harmonizing rules and regulatory process in the Ontario financial sector.
- Consistent regulatory oversight of financial planners and advisors. The IIAC supports the regulation of financial planning in the province and need for a harmonized approach.
- Commitment to deregulation in the province. Ontario has more than 380,000 regulatory requirements affecting business across the province, almost twice as many as the next ranked province and substantially more than the federal government. The IIAC supports the government's objective to reduce regulation by 25 per cent over the next four years. This will alleviate a significant

burden on business, boost confidence and contribute to increased business spending. It will be important to set transparency and accountability standards to ensure deregulation objectives are met.

Finally, the IIAC is pleased the Ontario government has urged the federal government to permit immediate expensing of depreciable assets, similar to treatment in the U.S. tax reform package. If the federal government introduces such a measure, Ontario has committed to follow suit. The competitiveness of the Canadian and Ontario tax system would improve measurably, encouraging domestic and foreign capital spending.

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The IIAC – Representing Canada’s Investment Dealer Firms

The Investment Industry Association of Canada (IIAC) is the national association representing the investment industry’s position on securities regulation, public policy and industry issues on behalf of our 120 IIROC-regulated investment dealer Member firms in the Canadian securities industry. These dealer firms are the key intermediaries in Canadian capital markets, accounting for the vast majority of financial advisory services, securities trading and underwriting in public and private markets for governments and corporations. The IIAC provides leadership for the Canadian securities industry with a commitment to a vibrant, prosperous investment industry driven by strong and efficient capital markets. For more information, please visit www.iiac.ca.

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