



Independent Financial Brokers of Canada

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October 9, 2020

The Honourable Rod Phillips
Minister of Finance
c/o Budget Secretariat
Frost Building North, 3rd floor
95 Grosvenor Street
Toronto ON M7A 1Z1

Email: submissions@ontario.ca

Subject: Fall 2020 Budget Consultation

Independent Financial Brokers of Canada (IFB) is a national professional association. IFB members are licensed, self-employed financial advisors, who own small to medium-sized financial services businesses in communities across Canada. The majority of IFB's 3000+ members live and work in Ontario, helping individuals and families save and plan for a secure financial future.

These are challenging times for all Ontarians, and IFB welcomes the opportunity to highlight the concerns of its members. We applaud the support this government continues to provide to individuals and businesses as we all face the continuing challenges presented by the COVID-19 pandemic.

Reduce red tape and streamline regulations

IFB supports this government's goals to reduce regulatory burden and improve competition in the marketplace. We believe that there is more that can be done. IFB sees firsthand the burden of an onerous regulatory environment, and the toll it takes on individuals and firms trying to compete with larger integrated financial entities, as their own compliance costs rise.

The Ontario Capital Markets Modernization Task Force has suggested many forward-thinking and innovative policy proposals, and IFB looks forward to continued engagement as the Task Force works toward its final report.

IFB views national solutions that level the playing field for investors, firms, and advisors - regardless of where in Canada they conduct their financial transactions - to be preferable. We encourage Ontario to collaborate with its provincial/territorial partners to foster a harmonized, capital markets regulatory regime.

The CSA, including Ontario, have an opportunity to modernize how investment products are regulated, through the current SRO review. IFB believes that a phased approach to a MFDA/IIROC merger is preferable - to safeguard protection for the investing public, while ensuring a timely, cost-effective, and efficient transition for market participants. We hope Ontario will build on the input it receives to further development of a harmonized, national SRO solution.



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Financial title restriction framework

The plethora of titles used in the financial services industry adds to consumer confusion, as does the fact that unlicensed individuals can hold out in a way which misleads the public. IFB supports the CSA's project to review titles, as well as the objective of Ontario's *Financial Professionals Title Protection Act, 2019*, as steps toward reducing confusion.

As this government and FSRA progress in developing a framework to implement the FPTPA, IFB recommends continued stakeholder collaboration. Done well, the new framework can meet the objective of improving consumer outcomes in a way that does not create a new and onerous burden for those already operating within a highly regulated industry.

Those who sell insurance products should be licensed

In Ontario, unlike many Western provinces, life/health insurance products sold in conjunction with credit cards, loans, automobiles, or mortgages do not require the seller to hold an insurance license. Typically, these products are designed to insure the debt by paying the balance in the event of death, or the minimum payment requirement should the insured become disabled.

IFB believes that anyone selling/advising on insurance to the public should be licensed, properly trained, and subject to regulatory oversight. Consumers should have access to effective complaint mechanisms. Allowing the sale of these types of "incidental" insurance by those who are not licensed is a gap in consumer protection which should be addressed.

Thank you for the opportunity to comment. We would be pleased to expand upon any of the above.

Yours truly,

A handwritten signature in black ink that reads 'Nancy Allan'.

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