



**FINANCIAL  
PLANNING  
STANDARDS  
COUNCIL®**

## **FINANCIAL PLANNING STANDARDS COUNCIL**

### **Response to Ontario Securities Commission 2017-2018 Statement of Priorities**

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## INTRODUCTION

FPSC is pleased to provide comments on the Ontario Securities Commission (OSC) 2017-2018 Statement of Priorities.

FPSC is a national, not-for-profit standards-setting and certification body that develops, promotes and enforces professional standards for financial planning through CERTIFIED FINANCIAL PLANNER® certification. FPSC certifies and oversees approximately 17,000 CFP® professionals and 2,000 FPSC Level 1® Certificants in Financial Planning across Canada, more than 9,000 of whom live and work in Ontario. With FPSC's formal partnership with the Institut québécois de planification financière (IQPF), the only organization authorized to certify "Financial Planners" in Quebec, there are more than 23,500 "Financial Planners" in Canada who have met, and continue to meet, FPSC's unified financial planning standards.

## COMMENTS ON THE 2017-2018 STATEMENT OF PRIORITIES

FPSC supports the OSC's five regulatory goals, particularly the goal to "[d]eliver strong investor protection." With respect to the initiatives identified by the OSC to help achieve this goal, FPSC is encouraged specifically by the OSC's commitments to advancing retail investor education and improving the advisor/client relationship.

FPSC has long supported enhancements to financial literacy and investor education, and agree with the OSC in that investor education can play an important role in better investor protection. Accordingly, we look forward to supporting the OSC's Investor Office in its education and outreach efforts in 2017-2018, which will help lead Ontario investors to make more informed choices about their finances.

Notwithstanding progress in this area, investors still need to be assured that they are appropriately protected when seeking out professional financial advice. As the OSC notes, even with advancements in financial literacy, "[i]nvestors will always be at risk for potential losses from improper or fraudulent interactions."<sup>1</sup> Given the continued need for strong investor protection, FPSC is pleased to see that the OSC remains committed to continuing its work "to improve the advisor/client relationship."

FPSC participated in last year's consultations on Canadian Securities Administrators (CSA) Consultation Paper 33-404 – Proposals to Enhance the Obligations of Advisers, Dealers, and Representatives Toward Their Clients. In our response to the proposed reforms, we expressed support for meaningful regulatory changes in several key areas, including registrant proficiency requirements, titling rules and the standard of care owed to clients. We further identified areas where we felt corresponding modifications to these reform proposals could be made to

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<sup>1</sup> Ontario Securities Commission 2017-2018 Statement of Priorities: [http://www.osc.gov.on.ca/documents/en/Securities-Category1/sn\\_20170323\\_11-777\\_rfc-sop-end-2018.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category1/sn_20170323_11-777_rfc-sop-end-2018.pdf).

enhance their efficacy.<sup>2</sup> We look forward to reviewing and commenting on the OSC's finalized regulatory reform proposals in these areas when they are published later this year.

In keeping with the need for regulatory reforms to improve the advisor/client relationship, FPSC believes the policy recommendations made by the Ontario Expert Committee to Consider Financial Advisory and Financial Planning Policy Alternatives<sup>3</sup> complement the OSC's work in this area, and can be efficiently integrated with the OSC's presently planned initiatives. We encourage the OSC to work closely with the Ontario government, the Financial Services Commission of Ontario/Financial Services Regulatory Authority, FPSC, and other regulatory and industry stakeholders over the coming year to develop and implement policies that are in keeping with the Expert Committee's recommendations and principles, and ultimately strengthen protection for consumers in Ontario.

## CONCLUSION

FPSC would like to thank the OSC for the opportunity to provide comments on its 2017-2018 Statement of Priorities. We look forward to working closely and cooperatively with the OSC and other regulatory and industry stakeholders over the coming year to provide consumers in Ontario with the protection and confidence they deserve.

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<sup>2</sup> FPSC Response to CSA Consultation Paper 33-404 - Proposals to Enhance the Obligations of Advisers, Dealers, and Representatives Toward Their Clients <http://www.fpsc.ca/docs/default-source/FPSC/fpsc-response-to-csa-33-304.pdf>

<sup>3</sup> Final Report of the Expert Committee to Consider Financial Advisory and Financial Planning Policy Alternatives: <http://www.fin.gov.on.ca/en/consultations/fpfa/fpfa-final-report.pdf>.