



For Immediate Release

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Ontario credit union system welcomes progress on needed legislative changes

MISSISSAUGA, ON – The provincial government has made substantial improvements to the proposed legislation that regulates credit unions, a coalition of Ontario credit unions and caisses populaires said today after appearing before Ontario’s Standing Committee on Finance and Economic Affairs earlier this week.

As part of the budget on March 22, Finance Minister Greg Sorbara released amendments to the *Credit Unions and Caisses Populaires Act, 1994*. Other changes will be formalized in regulations under the act.

“We are encouraged that the government has changed several of its proposals,” said Jack Vanderkooy, President and CEO of DUCA Financial Services Credit Union and Chair of the Association of Credit Unions. “The government has taken the time to listen to many of our concerns and this bill is a substantial improvement over the draft released last August.”

Ontario credit unions and caisses populaires have been seeking legislative changes that would create the necessary flexibility to encourage the expansion of the sector. The Coalition has submitted a series of proposals over the last three years in an effort to harmonize Ontario’s legislative framework with more modernized rules that are in place in other provinces, particularly in British Columbia and Quebec. The Coalition members were encouraged by the positive reception they got from the government and opposition at committee and hope the bill will be even better when it reaches third reading.

“We are hopeful that the end result will provide Ontario’s credit unions and caisses populaires with the flexibility and business powers they need to prosper and grow as they have in other provinces,” added Howard Bogach, President and CEO of Credit Union Central of Ontario. “The Minister has committed to working closely with the Coalition as regulations are developed. We are pleased with his commitment thus far and are confident that he will listen to our call for more flexibility and further harmonization in the regulations.”

The government has proposed that many issues will be handled in regulations under the revised Act. The Coalition has requested industry consultations on what is needed in these regulations. It hopes to work with the government to develop a new framework for Deposit Insurance Corporation of Ontario’s evolving role as both regulator and deposit insurer for credit unions.

Ontario's 219 credit unions and caisses populaires are independent, community-based financial institutions regulated by the provincial government. Together they have more than 1.6 million members and more than 680 locations.

The Coalition of Credit Unions and Caisses Populaires of Ontario represents the vast majority of Ontario credit unions and caisses populaires and is made up of the following members; Credit Union Central of Ontario, L'Alliance des caisses populaires de l'Ontario, Association of Credit Unions of Ontario, and la Fédération des caisses populaires de l'Ontario.

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