



Department of Finance
Canada

Ministère des Finances
Canada

Canada

Français

Contact Us

Help

Search

Canada site

Home

What's New

Site Map

Glossary

HotLinks

About Us

FAQ

Media Room

Publications

Legislation

- [News Release 2003-014](#) -

Wise Persons' Committee on Securities Regulation

Terms of Reference

Given:

- that a dynamic and efficient capital market in Canada will contribute to economic growth through the effective mobilization of savings and the provision of low-cost financing for new and existing businesses;
- that efficient, effective and responsive securities regulation is an important factor in ensuring a dynamic and efficient capital market;
- that securities regulation needs to provide high standards of investor protection—particularly in light of the Sarbanes-Oxley Act in response to Enron and other U.S. corporate scandals; and
- that a large number of Canadians believe that the present system of securities regulation in Canada can and should be improved; a Wise Persons' Committee is established. The Committee will:
 1. review and assess the strengths and weaknesses of the existing system of securities regulation in Canada;
 2. recommend the appropriate regulatory structure that will best meet Canada's needs; and
 3. recommend a governance model and describe an accountability framework.

The objectives of the regulatory structure proposed by the Committee should be to:

- provide sound protection for investors and confidence that Canada's capital markets are regulated with the highest standards and that those standards are rigorously and equally enforced throughout the country;
- provide efficient capital markets for Canadian businesses of all sizes, and not place an undue burden on firms seeking to raise capital or on firms seeking to offer capital market services;
- encourage dynamic and innovative capital markets throughout Canada; and
- present foreign investors, governments and regulators with a positive image of securities regulation in Canada.

In carrying out this mandate, the Committee will solicit the views of governments, regulators, market participants and the Canadian public on these issues and consider any other relevant issues raised in these discussions. The Committee should, where possible, work with provincial governments and regulators and take into account the work of complementary processes aimed at improving securities regulation in Canada.

The Committee will also give particular consideration to the respective merits of two specific models against the objectives described above, namely:

- (a) an enhanced version of the present system, with such practical and achievable improvements as the Committee might propose so that there is a greater sense of common purpose and more efficiency; and



(b) a single commission model in which governments electing to participate would pool some or all of their authority in a single regulator administering one set of rules.

The Committee may also consider other models, including combinations of the above.

In elaborating its recommendations, the Committee will also:

- identify any difficult or challenging issues to be encountered in achieving the model it recommends and propose ways to resolve these issues; and
- address any significant implementation issues, including transition costs, should major institutional changes be proposed.

The Committee will supervise a dedicated staff to assist in its consultations and to undertake or organize research studies or prepare papers or discussion documents it considers necessary to complete its work, subject to budgetary limits.

The Wise Persons' Committee will report by November 30, 2003.

- [News Release 2003-014](#) -

Last Updated: 2003-03-05



[Important Notices](#)