

# COMPETITION BUREAU TO STUDY FINANCIAL TECHNOLOGY MARKET IMPACT

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The rise of financial technology ("**FinTech**") is revolutionizing the way consumers and businesses make investments, raise equity, borrow money and effect payments. The effects of FinTech are far-reaching, and regulators are taking notice. On May 19, the Competition Bureau (the "**Bureau**") announced plans to launch a market study on technology-led innovation in the Canadian financial services industry. (For the Bureau's notice, click [here](#).)

The Bureau will assess how consumer and business interactions with financial products and services are shaped by innovative technologies such as mobile payments, online crowdfunding, peer-to-peer banking and robo-advisors. The study will focus on the competitive impact of new technologies and potential barriers facing entrants in the industry with the aim of highlighting areas for regulatory reform to promote financial innovation while maintaining consumer protection.

The Bureau invites anyone with an interest in FinTech or financial services to provide written or oral submissions feedback on the following key questions:

- What has been the impact of technology-led innovation on the competitive landscape? What is happening to competition? How will innovation impact competition in the future?
- How will consumers benefit from FinTech?
- What are the barriers to entry, expansion, or adoption for FinTech companies? Are they regulatory or structural?
- What is the current state of the regulatory framework for financial services? Does it support or inhibit competition and innovation? Are changes required to encourage greater competition and innovation in the sector?
- Are the consumer protections in place today enough to adapt for the future? What additional protections should be put in place for consumers? Is there a need for greater transparency in fees?
- What issues should be considered when developing or amending regulations to ensure competition is not unnecessarily restricted?

The deadline for making a written submission or indicating an interest in making oral submissions is June 30, 2016. The Bureau will address its findings in a report targeted for publication in Spring 2017.

If you are interested in making a submission to the Bureau, we would be happy to assist you. The McMillan FinTech team is comprised of lawyers with extensive transactional and regulatory experience in the financial services and competition law industry and includes acclaimed technology advisors and a former finance minister.

by Pat Forgione, Rob Scavone and Tayleigh Armstrong

### **A Cautionary Note**

The foregoing provides only an overview and does not constitute legal advice. Readers are cautioned against making any decisions based on this material alone. Rather, specific legal advice should be obtained.

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