

# THE OSC'S DRAFT STATEMENT OF PRIORITIES FOR 2017-2018

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**Categories:** [Insights](#), [Publications](#)

On March 23, 2017, the Ontario Securities Commission (OSC) published a draft statement of priorities, Notice 11-777 – Statement of Priorities (the Notice). The Notice outlines the OSC's priorities for 2017-2018 and how each priority is streamlined with the OSC's regulatory goals. The Notice is open for comments until May 23, 2017.

The OSC's five regulatory goals are to deliver strong investor protection, deliver effective compliance, supervision and enforcement, deliver responsive regulation, promote financial stability through effective oversight and be an innovative, accountable and efficient organization. Within each of these regulatory goals, the OSC has identified priorities to assist in meeting the regulatory goals, as outlined below.

*Deliver Strong Investor Protection.* The Notice states that in order to deliver strong investor protection, the OSC will give priority to:

- publishing regulatory reforms to define a best interest standard and improving the advisor/client relationship;
- defining regulatory actions needed to address embedded commissions;
- advancing retail investor protection, engagement and education through the OSC's Investor Office; and
- addressing an independent evaluator's recommendation that Ombudsman for Banking Services and Investments be better empowered to secure redress for investors.

*Deliver Effective Compliance, Supervision and Enforcement.* To deliver effective compliance, supervision and enforcement, the OSC has prioritized:

- protecting investors and fostering confidence in its markets by upholding strong standards of compliance with its regulatory framework;
- actively pursuing timely and impactful enforcement cases involving serious securities laws violations; and
- increasing the deterrent impact of OSC enforcement actions and sanctions through a more visible and active collection strategy.

*Deliver Responsive Regulation.* In order to deliver responsive regulation, the OSC has stated that it will:

- identify opportunities to reduce regulatory burden while maintaining appropriate investor protections;

- work with fintech businesses to support innovation and promote capital formation and regulatory compliance; and
- actively monitor and assess impacts of recently implemented regulatory initiatives.

*Promote Financial Stability Through Effective Oversight.* The OSC will promote financial stability through effective oversight by:

- enhancing OSC systemic risk oversight; and
- promoting cybersecurity resilience through greater collaboration with market participants and other regulators on risk preparedness and responsiveness.

*Be an Innovative, Accountable and Efficient Organization.* The Notice states that the OSC will continue to be an innovative, accountable and efficient organization by:

- enhancing its business capabilities; and
- working with the Capital Markets Regulatory Authority (CMRA) partners on the transition of the OSC to the CMRA.

For each of these priorities, the OSC has outlined specific initiatives it intends to pursue and has set measures of success. The Notice also discusses environmental considerations for the OSC's regulatory framework such as changing demographics and investor needs, the importance of investor education, globalization, technology threats and opportunities, systemic risk and financial stability, enforcement and compliance tools, regulatory balance and OSC operations.

For further information about the [Notice, please see Notice 11-777 – Statement of Priorities](#).

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### **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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