



The Toronto
Board of Trade

July 18, 2008

VIA EMAIL: Commscons@expertpanel.ca

The Honourable Thomas Hockin, P.C.
Chair
Expert Panel on Securities Regulation in Canada

Dear Mr. Hockin:

Re: Expert Panel on Securities Regulation in Canada

We are writing in response to your invitation to provide our comments regarding your Panel's Consultation Paper on securities regulation in Canada.

The Toronto Board of Trade is the largest local board of trade/chamber of commerce in Canada with approximately 10,000 business members located in Toronto and the Greater Toronto Area. Our members include businesses in all sectors, privately owned and publicly traded, large and small, including several securities registrants and other capital markets participants.

The Toronto Board of Trade has been a long-standing supporter of the creation of a single national securities regulator ("SNSR") as the best option to streamline Canada's unnecessarily complex securities regulatory regime. However, we are concerned that constructing the requisite securities regulatory framework to the satisfaction of all Canadian jurisdictions may not be politically feasible at this time.

As you know, certain provinces continue to have reservations about a SNSR because they believe it may impede their ability to respond to regional issues. However, a national harmonized set of rules does not require the creation of a new regulator and the provinces/territories need not cede their legal authority.

Canada's provinces and territories have taken important steps in the past 5 years to improve the regulation of capital markets on a more consistent and nationally harmonized basis. The Passport System, the National Registration Database, the National Registration System and various National Instruments (e.g., 45-106 – National Prospectus and Registration Exemptions Rule; 81-102 – Mutual Funds Rule and most recently, proposed National Instrument 31-103 – Registration Requirements) are just a few of the major harmonized rules that have been implemented. We believe that the provincial/territorial governments should continue furthering this "passport" system and harmonizing securities laws, including completing the process to implement uniform securities legislation.

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We believe that taking the “passport” system approach will allow Canada to achieve many of the benefits of a SNSR in a more timely manner. In an era when investors have many options and trading in jurisdictions outside Canada is readily accessible and affordable, Canada must move quickly to protect the competitiveness of its capital markets and to ensure their continued relevance in the future. In the current political climate, we believe the passport system will achieve many of the significant benefits of a SNSR without the delay and uncertainty involved in securing the agreement of 13 provincial and territorial governments to cede their legal authority over securities regulation.

As most market participants distribute securities to Canadians in every province and territory, it is vital that regulatory requirements are uniform across Canada. We urge the Canadian provincial and territorial governments to move forward with passing uniform legislation and rules, and ensuring that the securities regulatory bodies in each of the Canadian jurisdictions interpret and administer the legislation and rules in a uniform and consistent manner.

We would be pleased to elaborate on our comments or address any questions you may have.

Sincerely,

Betty Carr
Chair, Board of Directors

Carol Wilding
President & CEO

- c. The Hon. Dwight Duncan, M.P.P., Minister of Finance, Ontario
David Wilson, Chair, Ontario Securities Commission