



The Canadian Coalition for Good Governance Comments on Today's Supreme Court of Canada Decision with respect to the Draft National Securities Act.

CCGG is disappointed to learn that today's Supreme Court of Canada decision means that the federal government cannot proceed with the national Securities Act, as currently drafted. However, CCGG is pleased that the Court has recognized that aspects of the securities market are national in scope and affect the country as a whole. The Court noted that this may allow for federal legislation aimed at imposing minimum standards throughout the country, improving the stability and integrity of Canada's financial markets and the management of systemic risk.

CCGG believes that the underlying policy rationale for a national securities regulator remains compelling. CCGG encourages the federal government and the governments of all provinces and territories to work together to develop alternative means to achieve the benefits that would have resulted from a national securities act. CCGG believes that today's decision provides a clear framework for all parties to move this issue forward for the benefit of Canada.

CCGG believes that the vigorous enforcement of laws relating to the capital markets is essential to the stability and integrity of Canada's financial markets, which are areas the court noted may be within the power of the federal government to regulate. "In the interim, the federal government should make it a priority to investigate and prosecute any violations of existing 'white collar' crimes" said Stephen Erlichman, Executive Director of CCGG. "We also call upon all provincial and territorial securities regulators to take explicit measures to ensure that existing securities laws are enforced in a uniform and expeditious manner throughout the country".

CCGG also continues to urge provincial securities regulators and the federal government to make changes to existing Canadian corporate and securities laws to ensure that they identify and protect the basic rights of investors.

