

Minister's statement



May 26, 2010

Alberta responds to federal intrusion into provincial matters

National securities regulator would harm the interests of Alberta companies and investors

Edmonton... Minister of Finance and Enterprise Ted Morton issued the following statement in response to the federal government's tabling of new securities regulation legislation.

"I'm concerned the federal government continues to push ahead with its agenda to usurp provincial authority over securities regulation in the absence of any evidence the current system needs fixing.

"The passport system of securities regulation already accomplishes all that a federal regulator purports to do. It provides a single window of access to Canada's capital markets, just as a federal regulator would, by allowing market participants who file in one province a "passport" to operate in all participating provinces. Yet it is better than a federal system because provincial securities regulators better understand the unique regional needs of their market - such as those of junior oil and gas producers in Alberta. A federal regulator headquartered in Toronto could make it harder for these and other Alberta businesses to raise funds for growth and development.

"Far from being broken, Canada's provincially based passport system is highly regarded in international circles. The Organization for Economic Co-operation and Development (OECD) and the World Bank Group consistently rank it as one of the best in the world, ahead of both the United States and the United Kingdom. For two years in a row, Canada has also been ranked number one by the Milken Institute for having the 'best access to business capital.' Further, the recent global financial crisis has demonstrated that our system works well.

"Alberta is not opposed to improving on the system we have, but we are opposed to the federal government acting unilaterally in an area that is provincial jurisdiction. If there are further improvements to be made, we insist they be made bilaterally through federal-provincial co-operation - in the same manner that has served all Canadians well for over 140 years.

"If we open the door to federal intrusion in this area, we will be potentially inviting intrusion into other areas of provincial jurisdiction governing finance, such as insurance, pensions and financial institutions. Most Albertans don't want this, and this is why we have joined forces with Québec to challenge the legality of this unprecedented federal power grab."

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