

## NEWS RELEASE

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*For Immediate Release*

### Canada's Investment Industry Responds to 2014 Federal Budget

*Federal government makes the podium, but doesn't take gold*

**OTTAWA, February 11, 2014** – In its response to the 2014 federal budget, the Investment Industry Association of Canada (IIAC) said the measures released today are consistent with the government's track record of sound fiscal management.

According to Barbara Amsden, IIAC Managing Director, of particular interest to the IIAC's 160 investment dealer firms is the news that the government remains on target to eliminate the deficit by 2015, thereby setting expectations for new economic growth in 2015 and beyond.

"Deficit elimination is the single most important step to ensuring Canada's economic strength and prosperity in the coming years," said Amsden. "Balancing the budget next year and starting to pay down Canada's accumulated debt allows us to redirect some of the 11% of expenditures the country currently spends on interest to new priorities. Healthy public finances play a key role in strengthening consumer confidence and boosting investment spending."

The IIAC had hoped to see additional steps to improve tax fairness between Canadian retirement savings plans and measures to help small business, however, notes that these will be easier to accommodate once the budget is balanced next year. The IIAC supports the continued focus on red tape reduction to ensure the cost of regulation doesn't exceed the benefits to taxpayers and consumers.

The budget also identifies two previously announced measures the IIAC strongly endorses as important to strengthening Canada's competitive position and improving the well-being of all Canadians. First, the Cooperative Capital Markets Regulator (CCMR) will better protect investors, contribute to more efficient capital-raising, in particular to improve access to capital for small issuers, and enhance management of systemic risks in Canada's capital markets. Second, the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) will open a 500-million consumer export market to Canadian businesses and increase jobs in Canada.

#### **The IIAC – Representing Canada's Investment Professionals**

The Investment Industry Association of Canada (IIAC) is the national association representing the investment industry's position on securities regulation, public policy and industry issues on behalf of our 160 IIROC-regulated investment dealer Member firms in the Canadian securities industry. These dealer firms are the key intermediaries in Canadian capital markets, accounting for the vast majority of

financial advisory services, securities trading and underwriting in public and private markets for governments and corporations. The IIAC provides leadership for the Canadian securities industry with a commitment to a vibrant, prosperous investment industry driven by strong and efficient capital markets.

For more information, please visit [www.iiac.ca](http://www.iiac.ca).

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