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October 23, 2008

The Hon. Jim Prentice
Minister of Industry
C.D. Howe Building
235 Queen Street
Ottawa ON K1A 0H5

Email: Minister.Industry@ic.gc.ca

Dear Sir:

Subject: CRTC Announcement regarding Do Not Call Complaints Investigator

I would like to begin by congratulating you on your recent re-election. Although the ministerial appointments have not yet been publicly announced, it is my hope that you will either maintain your position as Minister of Industry or make this letter available to your successor.

You may recall that Independent Financial Brokers (IFB) wrote to you in July 2008 outlining our concerns regarding the lack of public input into setting the fee structure that those required to access the Do Not Call registry will have to bear. This situation has worsened now with the recent announcement by the CRTC that all telemarketers, including those who do not need to access the DNC list because they only make exempt calls, will be required to pay a fee toward the funding of the Investigator.

We are frustrated that the CRTC seems to have no regard for the potential impacts of these decisions on the small business person who may use the telephone to follow up on personal referrals or establish new contacts. Members of our organization are licensed financial advisors. This means they are already subject to extensive regulation and market conduct rules, and their clients have numerous resources where they can lodge complaints. The Do Not Call rules add to these existing and stringent regulations by adding another layer of regulation and additional consumer complaint mechanisms.

On top of this, because our members are independent owner operators of their business they are prevented from sharing the cost of accessing the DNC list. This is because of the

rules that restrict on what basis this information can be shared. To illustrate the point, RBC Insurance can purchase the list and make it available to all their advisors. However, a self-employed financial advisor must purchase it – for exactly the same cost – and can only use it him/herself. Had there been public input into this fee setting process, we would have advocated for some threshold of materiality based on usage that would not place an individual in the same position to absorb these costs as a large, national company!

Now the CRTC intends to require even more fees to support the cost of the Investigator. Based on this previous example, we expect that it will set a standard fee structure that will apply to all ‘telemarketers’.

We are asking you, as the Minister responsible for the CRTC and small business, to require more public accountability from the CRTC on these matters. We have also written to the Secretary of State for small business asking for support.

Independent financial advisors in Canada already deal with a myriad of compliance requirements and the costs associated with meeting these obligations. To add to this burden is both unnecessary and unconscionable. In addition, these businesses, like many others, now face a period of economic uncertainty which will bring its own set of challenges. We must ensure that these individuals are not forced out of business through anti-competitive or unfair government policies. In the end, it will be the consumer who will pay the price in reduced competition and product choice.

I welcome the opportunity to meet with you or discuss this matter more fully at your convenience. In the meantime, thank you for your time and I wish you success in your next term in office.

Yours truly,

A handwritten signature in black ink, appearing to read 'John Whaley', written over a white background.

John Whaley
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Cc: Konrad von Finckenstein, Chairman
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