

**Saskatchewan Financial  
Services Commission**

**Strategic Plan  
2012-2015**

# CONTENTS

<b>OVERVIEW .....</b>	<b>3</b>
<b>REGULATORY FUNCTION.....</b>	<b>3</b>
<b>ORGANIZATION.....</b>	<b>5</b>
<b>MISSION.....</b>	<b>7</b>
<b>VISION.....</b>	<b>7</b>
<b>REGULATORY PRINCIPLES .....</b>	<b>7</b>
<b>VALUES.....</b>	<b>8</b>
<b>THE REGULATORY ENVIRONMENT .....</b>	<b>9</b>
<b>STRATEGIC ISSUES.....</b>	<b>10</b>
<b>GOALS, OBJECTIVES AND ACTIONS .....</b>	<b>13</b>
<b>STATUS OF ACTION ITEMS FROM LAST STRATEGIC PLAN .....</b>	<b>20</b>
<b>STRATEGIC SUMMARY .....</b>	<b>24</b>

## **Overview**

Saskatchewan Financial Services Commission (SFSC) is the amalgamation of four organizations. In 2003, the Saskatchewan Securities Commission, the Financial Institutions Section of the Consumer Protection Branch and the Pensions Branch of Justice formed the SFSC. In 2011, SFSC expanded its regulatory responsibility by welcoming the remainder of the Consumer Protection Branch of the Ministry of Justice as a division.

In the 2012-13 Budget, the government announced that SFSC will be continued as a Treasury Board Crown corporation to be named the Financial and Consumer Affairs Authority effective October 1, 2012.

SFSC is the regulator and quasi-judicial adjudicator with respect to financial services in Saskatchewan including the credit union system, insurance, pensions, securities, trust and loans, payday loans and mortgage brokers (essentially all financial services except banks). In regards to consumer goods and services, SFSC advances fair trading conduct and reduces opportunities for unfair, unlawful, or deceitful commercial activity.

Financial services are essential to the growth, development and strength of market economies. Financial services support corporate growth and innovation and facilitate the management of financial risk. Regulation is important for the integrity, efficiency and transparency of financial markets. The fall-out of the 2008 market turmoil provides ample evidence that the stability provided by effective regulation is a necessary ingredient to the financial markets and, in turn, the economy.

Consumer protection regulation also is critical for individual wealth and retirement savings. The complex nature of transactions and of fraudulent schemes makes Saskatchewan citizens vulnerable. A strong enforcement of consumer protection laws is necessary to individual well-being, quality of life and confidence in government, institutions and the marketplace. Consumer protection regulation supports consumer confidence which encourages spending and investment, the cornerstones of the market economy.

## **Regulatory Function**

SFSC's regulatory responsibilities include providing input into developing provincial legislation, regulations, policies and standards (the "rules"); interpreting and applying the rules; supporting an environment that facilitates a fair marketplace for consumers and a level playing field for suppliers; and, taking appropriate action to protect the rights and interests of consumers when the rules are broken.

For financial services, SFSC's regulatory functions include both prudential and market conduct regulation. Prudential regulation addresses the financial soundness of those regulated, while market conduct regulation refers to supervising compliance related to consumer protection provisions including disclosure, confidentiality, fair practices and prohibited methods of doing business. The Consumer Protection Division primarily focuses on market conduct regulation.

The ongoing operations of SFSC encompass a broad range of regulatory functions, including:

- Licensing and Registration. Financial institutions, pension plans, financial intermediaries, regulated business sectors (including auctioneers, collection agents, commercial cemetery operators, credit reporting agencies, direct sellers, film and video distributors and exhibitors, for profit charitable fund-raising businesses, and motor dealers) and other market participants require approval to offer services or conduct business. SFSC requires applicants to provide information to allow assessment of whether the applicant is suitable to conduct business in the chosen field.
- Audit and Compliance. On an ongoing basis, SFSC monitors those regulated to ensure they are meeting their obligations to consumers and are conducting themselves in compliance with the rules.
- Market Conduct and Complaint Handling. SFSC ensures there are effective processes in place to receive and investigate complaints from consumers. Complaints are reviewed and appropriate information is collected to determine whether there are violations of rules. In addition, SFSC supports consumer education and awareness as a means of encouraging consumers to protect themselves.
- Enforcement. SFSC exercises its influence and its legislative powers to hold to account those who have violated the rules. Enforcement may be initiated based on information obtained from complainants, from audit and compliance activities, or from other credible sources.

In fulfilling its mandate, SFSC relies upon, and provides oversight in respect of, the following self-regulatory organizations (the “SROs”):

- Credit Union Deposit Guarantee Corporation
- Funeral and Cremation Services Council of Saskatchewan
- General Insurance Council of Saskatchewan
- Hail Insurance Council of Saskatchewan
- Investment Industry Regulatory Organization of Canada
- Life Insurance Council of Saskatchewan
- Mutual Fund Dealers Association of Canada
- Saskatchewan Real Estate Commission

## Organization

SFSC is led by a seven-person Commission that is established under *The Saskatchewan Financial Services Commission Act*.

SFSC is organized into five divisions: Consumer Credit, Consumer Protection, Insurance and Real Estate, Pensions and Securities.

The **Consumer Credit Division** regulates and supervises Saskatchewan credit unions; trust, loan and finance companies; loan and mortgage brokers; and payday lenders. The Division protects the public interest and enhances public confidence by encouraging sound and ethical business practices.

The **Consumer Protection Division** supports and promotes fair trading in goods or services purchased or acquired by a consumer from a business for personal, household and family purposes. In these areas, we strive to protect consumers and maintain a fair trading business environment through: market regulation, sector-specific business and salesperson licensing, complaint investigations, information and education initiatives, inter-agency and inter-jurisdictional cooperation, enforcement, research, and by taking action on behalf of vulnerable consumers who have been deceived or misled. The Division also supports the Film Classification Board and oversees the Funeral and Cremation Services Council, through a superintendent.

The **Insurance and Real Estate Division** licenses all companies which transact insurance in Saskatchewan. It protects insurance policyholders through solvency regulation of provincial insurance companies; market conduct regulation of federal and provincial companies; and, oversight of the Insurance Councils of Saskatchewan with respect to rules applied to insurance agents and brokers.

The Insurance and Real Estate Division also protects real estate buyers and sellers by overseeing the Saskatchewan Real Estate Commission with respect to the real estate brokers and salespersons and the rules it applies to those intermediaries.

The **Pensions Division** protects the accrued pension entitlements of plan members from undue loss and promotes the equitable treatment of plan members. The Pensions Division reviews pension plans to ensure that legislative standards are met with respect to the structure and administration of employment pension plans, including the investment and ongoing funding of plans.

The **Securities Division** protects investors by regulating trading in securities. Activities aimed at protecting investors include:

- Registering individuals and companies in the investment industry;
- Reviewing documents used by companies and individuals to sell their securities to the public;
- Requiring businesses to file regular financial information, send it to their security holders and disseminate it to the market generally;
- Reviewing companies continuous disclosure documents, such as financial statements, press releases and material change reports, to ensure that they are

providing appropriate and timely ongoing information to serve as a basis for trading of securities in the secondary markets;

- Where appropriate, exempting businesses from the main requirements; and
- Penalizing those who have not followed the provisions of the act, or who have engaged in fraudulent and unscrupulous practices.

SFSC is assigned to the Minister of Justice and Attorney General. Saskatchewan Justice provides advice to the Minister and Government on the legislation administered by SFSC.

## Vision

Everyone has confidence in Saskatchewan's marketplace.

## Mission

The Saskatchewan Financial Services Commission promotes confidence by regulating Saskatchewan's marketplace in an effective, efficient and balanced manner.

## Regulatory Principles

SFSC strives to adhere to the following regulatory principles when administering the rules, providing advice or pursuing solutions.

- **Accessibility.** SFSC is open, available, and approachable by consumers and those it regulates.
- **Accountability.** All who are regulated are held to account by SFSC for complying with the rules.
- **Consultation.** SFSC consults those who may be affected by a proposed regulatory change.
- **Cooperation.** SFSC works with regulators in other jurisdictions, self-regulatory organizations, and other entities which share responsibility for market confidence to achieve regulatory efficiency and effectiveness.
- **Equipping Suppliers and Consumers.** SFSC provides tools and information that help suppliers and consumers understand their responsibilities, rights and remedies.
- **Flexibility and Discretion.** Recognizing there are many possible solutions, SFSC exercises its discretion to achieve the most practical and affordable solutions that achieve the intended objective without compromising consumer protection.
- **Harmonization.** SFSC seeks to harmonize rules and systems across sectors and jurisdictions to the greatest extent possible.
- **Proportionate Regulation.** When developing and applying rules, SFSC considers the cost of compliance and the intended results. SFSC's actions are proportionate to the risk posed.
- **Transparency.** SFSC develops understandable rules that are easy to access. When appropriate, it provides explanations and communicates its decisions.

## Values

These values guide our decisions, conduct, and actions as we work towards the vision and mission:

- **Collaboration.** SFSC employees work together internally and with those who are regulated to deliver the best possible solution.
- **Decisiveness.** SFSC employees make clear, timely and responsible decisions.
- **Fairness.** SFSC employees are impartial and unbiased in their decision making. Those in similar situations receive consistent treatment.
- **Initiative.** SFSC empowers its staff. SFSC employees encourage innovation and continuous improvement of business processes and service provision.
- **Openness.** SFSC employees share information and listen receptively. SFSC employees encourage understanding of and involvement in decision making.
- **Professionalism.** SFSC employees exhibit competency as well as a positive and businesslike manner in the workplace.
- **Recognition.** SFSC recognizes results achieved by its employees.
- **Respect.** SFSC employees treat everyone with courtesy, dignity and empathy.
- **Service.** SFSC employees provide quality and timely service by understanding and addressing the needs of stakeholders.
- **Work/life balance.** SFSC recognizes and accommodates employees' needs to balance their responsibilities and interests outside of work with meeting the increasing demands of the workplace.



## The Regulatory Environment

Regulation continues to be complex, with common or shared jurisdiction between the federal and provincial governments, SROs and other offices or agencies with an interest (for example, prosecutors, law enforcement, municipal licensing agencies, sector organizations).

Markets continue to undergo significant changes:

- The world has experienced a significant increase in globalization, cross-border flows of capital, leverage, securitization, and the interconnectedness of markets. These trends have increased the complexity and volatility of markets, undermined the belief that markets are self-equilibrating, and challenged traditional regulatory approaches and institutions. In the past three years, “too big to fail” and “the contagion effect” have crept into regulators’ daily vocabulary.
- Non-traditional service providers have entered into the marketplace and existing market participants have expanded into new geographic markets, new product distribution systems and new product lines. Now, financial affairs are managed from living rooms and grocery stores. This has created more choices for consumers, but has increased the complexity of consumers’ decision making and the regulation of these activities.
- The costs of disseminating information have decreased, use of the internet has grown exponentially and consumers have access to an overwhelming amount of information. Many consumers lack the financial literacy or time required to properly assess this information, and do not understand the benefits and risks associated with the choices offered to them.
- Debt levels continue to rise, with Canadian debt to income levels at all-time highs. Reliance on credit cards has increased, along with a reduction in consumers’ ability to manage finances in the event of interest rate hikes.
- Pension plans and other wealth management products are becoming increasingly important as the baby boomers retire and seek the means to provide themselves with stable long-term retirement income.
- The credit union system continues to evolve, with increased consolidation within Saskatchewan, and federal legislative changes that facilitate geographic expansion.
- The Saskatchewan population is becoming more urbanized with increased ethnic and linguist diversity.
- Saskatchewan is enjoying and expects continued economic growth, with low unemployment and increasing average wage levels.

Like other jurisdictions, Saskatchewan is reliant on well-functioning markets for economic growth and prosperity. A recent excerpt from the OECD's consultation paper on principles for financial consumer protection states:

*Consumer confidence and trust in a well-functioning market for financial services promotes financial stability, growth, efficiency and innovation over the long term.*

*Rapid financial market development and innovation, the entry of non-traditional financial service providers and third party intermediaries (in some cases unregulated or inadequately regulated), and misaligned incentives for financial service providers can increase the risk that consumers face fraud, abuse and misconduct. In particular, low-income and less experienced consumers often face particular challenges in the market place.*

*.... It is essential to protect consumers' rights while also recognising the fact that these rights do come with consumer responsibilities. This calls for legal recognition of financial consumer protection, oversight bodies with necessary authority and resources to carry out their mission, fair treatment, proper disclosure, improved financial education, responsible business conduct by financial service providers and their authorized agents, objective and adequate advice, protection of rights and data, protection from fraud and abuse, competitive frameworks, adequate complaints handling and redress mechanisms and policies which address, when relevant, sectoral and international specificities, technological developments and special needs of vulnerable groups. This approach complements and builds upon financial regulation and supervision and financial governance<sup>1</sup>.*

## Strategic Issues

In developing its strategic priorities, SFSC identified the following key strategic issues:

- **Increased Enforcement Expectations.** A convergence of factors has increased risks for many consumers:
  - Many are nearing retirement age when wealth accumulation maximizes, making them attractive targets for scams;
  - There is a need for individual rather than institutional decision making regarding retirement assets. This is due to the growth of defined contribution plans, as well as the conversion of their defined benefit plans to individual investment accounts prior to retirement;
  - A sustained period of low interest rates has made potential returns from riskier investments more attractive; and
  - Increased direct access to a variety of service providers and complex products has removed the provision of third party advice.

---

<sup>1</sup> Draft G20 High-Level Principles On Financial Consumer Protection For Public Consultation, OECD Aug. 2011

- **Regulatory Cooperation.** Regulators have reorganized to reflect the interconnectedness of the markets and to meet government expectations for the free flow of goods and capital across borders.

Most areas of financial services regulation have adopted a primary regulator concept where a local regulator acts on behalf of regulators in other jurisdictions. The passport system for securities regulation allows an issuer or registrant to gain access to the capital markets across Canada by dealing with the regulator in their home jurisdiction. The reciprocal agreement between Superintendents of Pensions allows a multi-jurisdictional pension plan to be registered in only one jurisdiction (where the plurality of plan members work) and the Superintendent in that jurisdiction acts on behalf of all Superintendents. Under insurance regulation, companies are licensed in each province in which they do business, but only one regulator takes on the responsibility of overseeing an insurer's prudential stability and soundness.

These approaches have improved the efficiency of the financial markets and led to greater economic integration. They also have had the effect of upping the ante with respect to the competency of local regulators. SFSC must continually demonstrate to other jurisdictions that it can be relied on.

- **Harmonization.** The harmonization of marketplace laws supports regulatory effectiveness and cooperation. There is pressure to bring consistency in rules for like products and services across jurisdictions.

The securities sector has made the most progress with its efforts to adopt highly harmonized securities law. The effort is greatly aided by the fact that securities commissions, including SFSC, have the authority to make regulations. Most of securities law is now found in securities commissions' national rules.

The New West Partnership and the Agreement on Internal Trade have also added to the impetus to harmonize. Significant policy work will continue to be required within SFSC to harmonize legislation, particularly in the insurance and pension areas.

- **Innovation.** In the past, financial services legislation often focused on one industry segment such as securities, insurance or banking. As the market evolves, it is sometimes unclear which regulator has responsibility and authority. These ambiguities create gaps and duplications in legislation, and present a challenge to forming a timely response to emerging issues.

The G20 Finance Ministers have correctly drawn the link between regulation and the economy and have set out an ambitious agenda of regulatory reforms aimed at addressing regulatory gaps with respect to hedge funds, derivatives, credit rating agencies and the capital requirements of financial institutions. In Canada, considerable attention has been paid to pension coverage, with Finance Ministers agreeing to develop a new retirement savings product – the Pooled Registered

Pension Plan. SFSC will need to continue to develop expertise in these emerging areas.

- **Consumer and Supplier Information**. Regulators are concerned that many consumers and suppliers appear to lack the time, resources or competencies to process the vast amount of complex information available necessary to make effective decisions about the financial products and services offered. Few consumers understand the risks of these products and services, and many consumers and suppliers do not know how the regulatory structure works. They are often uncertain of their rights and responsibilities. A less informed consumer is more vulnerable to fraud, overcharging, and other abuses. A less informed supplier is more likely to unwittingly create unfair market conditions.
- **Evolution of Self-Regulatory Organizations (SROs)**. SFSC relies significantly on SRO's to perform many regulatory functions. There are as many staff performing regulatory functions within Saskatchewan within the SRO's as there are staff within SFSC. SFSC retains responsibility for overseeing the operation of the SRO's. These organizations vary widely in their scope of activity and their degree of interaction with SFSC. Work must continue in the area of oversight to assure the public that the SRO's are well governed and managed, are adequately staffed, and achieve their public interest objectives.
- **Resource Constraints and Utilization**. SFSC's regulatory responsibilities are similar to those in other provinces despite its relatively limited resources. Consequently, SFSC is a strong proponent of effectively using its limited resources, including working with other regulators to leverage resources and avoid duplicating efforts.

## Goals, Objectives and Actions

SFSC has four strategic goals.

1. **Establish and support effective rules for Saskatchewan's marketplace.** SFSC makes or supports changes to legislation, regulations and policies (the rules) to reflect evolving market requirements, increase harmonization with other Canadian jurisdictions and remove unnecessary regulatory burden for both those regulated and the regulators.
2. **Administer the rules in Saskatchewan's marketplace.** Those regulated should expect to be held to account if they fail to follow the rules. Through direct action or through oversight of self-regulatory organizations, SFSC implements effective compliance requirements and enforcement to ensure all regulated entities follow the established rules. This includes facilitating remedies or resolution, introducing or changing compliance programs to reflect new rules, and applying appropriate sanctions and/or penalties when rules are breached.
3. **Promote consumers' and regulated entities' understanding of their respective rights and responsibilities.** SFSC communicates with consumers and those regulated to help increase awareness of the rules that are in place, and SFSC's powers to enforce those rules. SFSC also strives to educate consumers regarding unfair market practices and options available to those who believe the rules have been breached.
4. **SFSC has the people, processes and systems to achieve its regulatory goals.** Maximizing use of limited resources while providing effective service delivery remains a strategic priority for SFSC. In some cases, this means relying on others that share responsibility for market confidence.

Objectives and actions related to these four goals are included in the following tables, along with the planned timing (fiscal years ending March 31) for the initiatives.

<b>Goal 1: Establish and support effective rules for Saskatchewan's marketplace.</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>OBJECTIVE 1: Review, recommend, create, and maintain up-to-date Saskatchewan rules</b>			
a. Identify potential changes, consult with stakeholders, and recommend an approach to the regulation of advice, information and tools provided to pension plan members by pension plans which offer the members a choice of investment options.	◆	◆	
b. Identify potential changes, consult with stakeholders, and recommend amendments to the rules applied to the funding of public sector defined benefit pension plans to permit plans to better manage the volatility of contribution rate changes.	◆		
c. Identify potential changes, consult with stakeholders, and recommend more effective regulation of deposit agents.		◆	
d. Identify potential changes, consult with stakeholders, and recommend consolidated consumer protection legislation (while repealing several statutes) to reduce marketplace confusion and to facilitate regulatory consistency. (Project completion is after 2015)	◆	◆	◆
e. Identify potential changes, consult with stakeholders, and recommend more effective regulation of individual pension plans to reduce unnecessary regulatory burden.	◆	◆	

<b>OBJECTIVE 2: Increase harmonization with rules in other Canadian jurisdictions</b>			
a. Develop, with other jurisdictions, the legal framework to permit Pooled Registered Pension Plans.	◆	◆	
b. Develop, with other jurisdictions, the legal framework to regulate trading in derivatives.	◆	◆	◆
c. Develop, with other jurisdictions, the legal framework to permit the incorporation of individuals registered under <i>The Securities Act, 1988</i> .	◆	◆	
d. Identify potential changes, consult with stakeholders, and recommend amendments to the rules to become fully compliant with the New West Partnership Trade Agreement, the Agreement on Internal Trade and other trade agreements.	◆	◆	
e. Identify potential changes, consult with stakeholders, and recommend amendments to <i>The Saskatchewan Insurance Act</i> to ensure harmonization with Alberta and British Columbia.	◆	◆	◆

<b>Goal 2: Administer the rules in Saskatchewan's marketplace</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>OBJECTIVE 1: Create and implement effective compliance programs</b>			
a. Develop a compliance framework for Pooled Registered Pension Plans.		◆	
b. Develop an approach to scanning the internet to identify unlicensed motor vehicle dealers.	◆		
<b>OBJECTIVE 2: Take appropriate enforcement action against those who fail to comply</b>			
a. Detect and disrupt scams faster by developing and implementing a communications strategy to increase the number of tips from the financial services industry to SFSC about possible contraventions of Saskatchewan law.	◆		
b. Detect and disrupt scams faster by developing and implementing a communications strategy to create more public awareness of securities fraud and SFSC's enforcement function.		◆	
<b>OBJECTIVE 3: Ensure self-regulatory organizations (SROs) fulfill their delegated and legislative responsibilities</b>			
a. Develop a framework of oversight for SROs under SFSC that (1) defines roles and responsibilities, (2) sets out the expectations of an SRO, and (3) establishes mechanisms of reporting and control.		◆	◆



<b>Goal 3: Promote consumers' and regulated entities' understanding of their respective rights and responsibilities</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>OBJECTIVE 1: Market participants understand their respective rights and responsibilities</b>			
a. Develop plain-language compliance guides for those who must apply legislation to help them understand their responsibilities and avoid common mistakes: <ul style="list-style-type: none"> <li>• Pension plan administrators</li> <li>• Administrators of Pooled Registered Pension Plans</li> <li>• Businesses in respect of the consolidated consumer protection legislation</li> </ul>		◆	◆
b. Develop plain-language guides to help consumers to understand their rights and responsibilities: <ul style="list-style-type: none"> <li>• Retirement products for pension plan members</li> <li>• Consolidated consumer protection legislation</li> </ul>			◆
<b>OBJECTIVE 2: Market participants are aware of SFSC and what it will and won't do</b>			
a. Develop a communications strategy to launch the SFSC brand and to raise public awareness of SFSC.	◆	◆	

<b>Goal 4:SFSC has the people, processes and systems to achieve its regulatory goals</b>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Objective 1: Operate efficiently</b>			
a. Develop a web-based facility to give movie distributors, movie exhibitors and the viewing public access to film classifications.	◆		
b. Develop a standard set of legal principles for SFSC decision-makers to consider in ordering sanctions in proceedings to enforce legislation.		◆	
c. Research how the Commission and other SFSC decision makers might use information technology during hearings. Implement use of information technology where appropriate.			◆
<b>Objective 2: Deliver service effectively</b>			
a. Develop/acquire an IT application that (1) supports risk-based regulation to promote more effective, targeted regulatory activity, (2) allows on-line filings to lower administrative costs for SFSC and filers, and (3) seeks opportunities to facilitate more efficient collection of revenue.	◆	◆	◆
b. Develop a Treasury Board Crown corporation.	◆		
c. Develop a workforce plan for SFSC addressing (1) corporate culture, (2) leadership, (3) learning and development , (4) performance management, (5) recruitment and retention and (6) diversity		◆	

<b>Objective 3: Make appropriate use of other entities that share responsibility for market confidence</b>			
a. Clarify the roles and responsibilities of SFSC, Credit Union Deposit Guarantee Corporation, SaskCentral, and the Corporate Registry of the Information Services Corporation of Saskatchewan in respect of the framework in which credit unions operate in Saskatchewan.	◆		
b. Support the enhancement of a publicly accessible database of Saskatchewan's cemeteries by working with community partners.	◆	◆	
c. Explore partnerships with the Ombudservice for Banking Services and Investments, the General Insurance Ombudservice, and the Ombudsman for Life and Health Insurance for more efficient handling consumer complaints.		◆	◆

## Status of Action Items from Last Strategic Plan

The following chart provides a summary of the status of the action plans identified in SFSC's previous (2007-2010) strategic plan. Several other initiatives not included in the 2007-2010 plan also were undertaken by the SFSC.

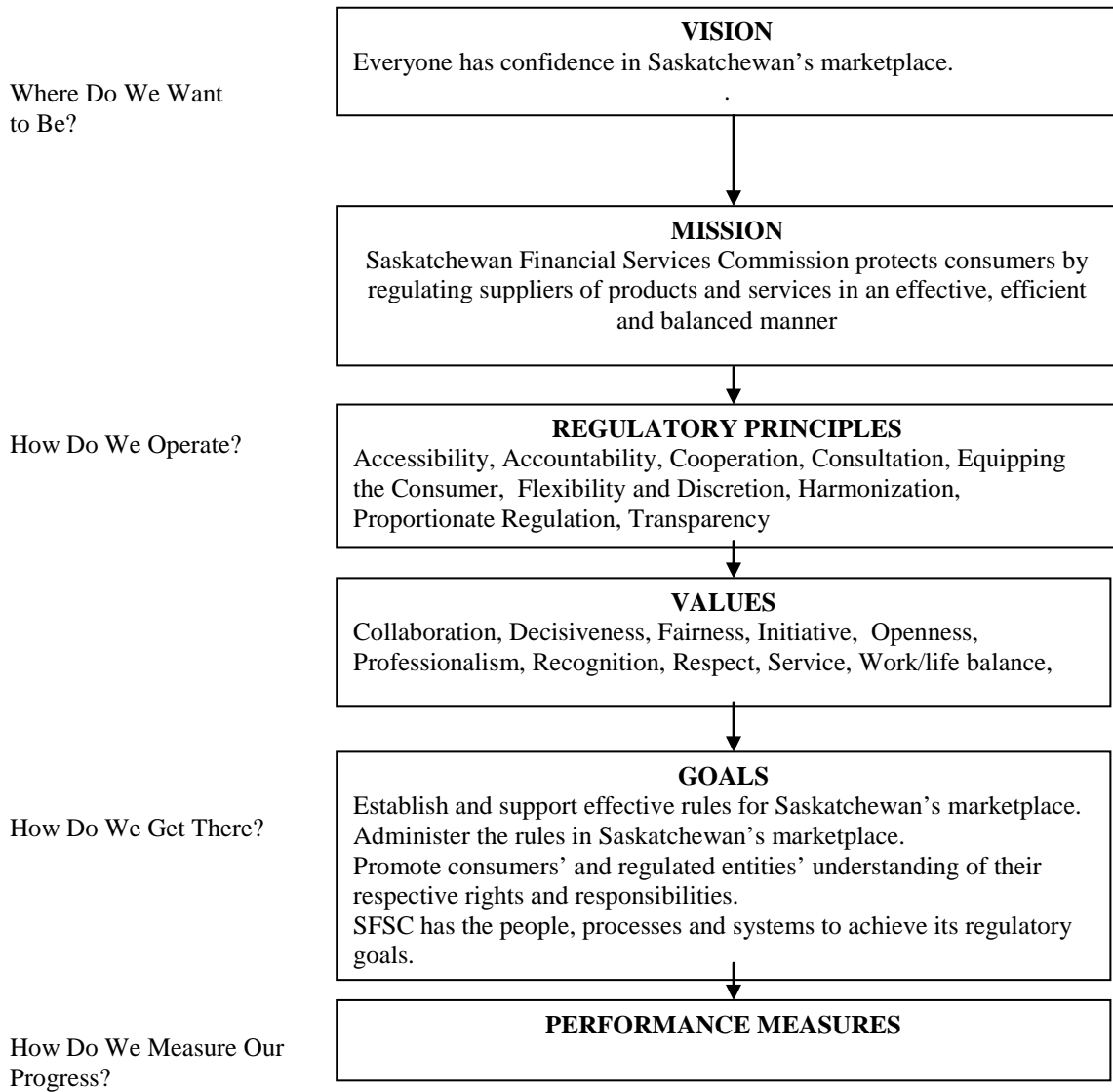
<b>Goal 1: Fair and Effective Financial Regulatory System for Saskatchewan</b>	
<b>Objective 1: Increased Harmonization of Rules With Other Canadian Jurisdictions</b>	
1. Implement highly harmonized and simplified securities laws: a. <i>The Securities Amendment Act, 2006 (No. 2)</i> ; b. National Instrument 41-101 <i>General Prospectus Requirements</i> ; c. National Instrument 31-103 <i>Registration Requirements</i> ; d. Amend <i>The Securities Act, 1988</i> to enable the adoption of NI 31-103 <i>Registration Requirements</i> ; e. National Instrument 62-104 <i>Take-over and Issuer Bids</i> ; f. National Instrument 55-101 <i>Insider Reporting</i> ; g. consequential amendments to <i>The Securities Regulations</i> .	Completed
2. As part of the Canadian Council of Insurance Regulators, develop a common model code for risk based review of the market conduct of insurance companies and intermediaries.	Completed
<b>Objective 2: Up-to-Date Saskatchewan Rules</b>	
1. Develop revised rules for the regulation for payday lenders.	Completed
2. Amend <i>The Saskatchewan Insurance Regulations</i> regarding investment eligibility to more readily allow investments in debt instruments of corporations.	Completed
3. Repeal and replace <i>The Mortgage Brokers Act</i> and Regulations to provide an appropriate regulatory response to a fast growing industry.	Completed
4. Identify the changes necessary to the rules for Saskatchewan deposit taking institutions to be consistent with international standards regarding capital requirements (Basel II).	Completed
5. Review and, if required, amend funding rules and legislation for defined benefit plans.	Regulations amended to provide temporary relief. Paper to be released on funding public sector pension plans

<b>Goal 2: Confidence in the SFSC and the Saskatchewan Financial Marketplace</b>	
<b>Objective 1: Effective Compliance</b>	
1. Keep pace with changing financial reporting requirements as a result of the convergence of Canadian GAAP with international financial accounting standards.	Completed
2. Create compliance program for new categories of registrants under <i>The Securities Act, 1988</i> who are not members of an SRO.	Completed
3. Design and implement compliance requirements under the new mortgage brokers legislation.	Completed
4. Design and implement compliance requirements for the regulation of payday lenders.	Completed
<b>Objective 2 – Effective Enforcement</b>	
1. Implement the new financial compensation provisions of <i>The Securities Act, 1988</i> .	Completed
2. Implement a new strategy and approach in the Enforcement Branch of Securities Division to stop illegal distributions more quickly and hold wrongdoers to account.	Chambers report implemented. Performance measures adopted.
3. Work with Saskatchewan Justice to find ways of achieving more efficient, effective and timely prosecutions for offences under <i>The Securities Act, 1988</i> .	Little progress. No longer a priority.
4. Set up information sharing processes with the RCMP and other police services in Saskatchewan. Consider other ways to work in a more integrated manner on enforcement issues.	Information sharing agreement signed. Ongoing processes of cooperation developed.
<b>Objective 3 – Effective Consumer Information</b>	
1. Implement the consumer education strategy including redesign of the SFSC’s website and development of material regarding scams and consumer rights. Work with Saskatchewan Justice to seek other ways of improving communications effectiveness.	Website re-designed. Communications expertise integrated into SFSC programs.

<b>Goal 3: Regulatory Consistency between Industry Sectors and for “Like” Products and Services</b>	
<b>Objective 1: Effective Participation in National Initiatives of the Joint Forum of Financial Market Regulators</b>	
1. Participate on the Joint Forum standing committee on effective dispute resolution of consumer complaints.	SFSC participated
2. Participate on the Joint Forum project to harmonize point of sale disclosure documents for mutual funds and segregated funds.	SFSC participated
3. Participate on the Joint Forum project to examine the regulation of intermediaries who sell mutual funds and segregated funds and identify ways to minimize possible conflicts or undue burden while promoting equivalent consumer protection.	SFSC participated
4. Participate on the Joint Forum committee reviewing the effectiveness of the Capital Accumulation Plan guidelines.	SFSC participated
<b>Objective 2: Reduction in Regulatory Gaps and Inconsistencies Resulting from Differences in Saskatchewan’s Business Models or Legislation</b>	
1. Finalize policy issues on regulation of deposit agents in Saskatchewan.	Not complete
2. Bring greater consistency between the rules applied to the raising of capital by credit unions, co-operatives and new generation co-operatives and securities rules.	Commission appointed as Co-operative Securities Board
<b>Objective 3: Effective SROs</b>	
1. Develop assessment criteria and confirm that SROs are meeting their public interest mandates.	Not complete

<b>Goal 4: Effective Results with Limited Resources</b>	
<b>Objective 1: Increased Operational Efficiency</b>	
1. Upgrade the information technology application used to support the Pensions Division.	Not complete
2. Create a policy branch within Financial Institutions Division.	Completed
3. Create a unit to regulate payday lenders. Examine linkages to other government programs dealing with consumer credit issues.	Completed
4. Develop and implement a human resources plan for the SFSC that analyzes the present and future workforce, identifies risks and provides key actions to manage risks.	Re-organization plan developed. Work has begun on human resources plan.
<b>Objective 2: Reduction in Work that is Duplicated in Other Jurisdictions</b>	
1. Implement the second phase of a passport system for securities with the SFSC participating as a primary regulator.	Completed

# Strategic Summary





## PERFORMANCE MEASURES

<p style="text-align: center;"><b>STAKEHOLDER</b></p> <ul style="list-style-type: none"><li>• Regulated entities have confidence in the Saskatchewan's marketplace and SFSC</li><li>• Consumer use of SFSC information</li></ul>	<p style="text-align: center;"><b>PEOPLE</b></p> <ul style="list-style-type: none"><li>• Human resource management effectiveness</li><li>• Employee participation in learning and development</li></ul>
<p style="text-align: center;"><b>OPERATIONAL/INTERNAL</b></p> <ul style="list-style-type: none"><li>• Number of regulated entities reviewed (field and desk) each year</li><li>• Client service standards</li></ul>	<p style="text-align: center;"><b>FINANCIAL</b></p> <ul style="list-style-type: none"><li>• Variance from budget</li></ul>