

Modernization of the Credit Union and Caisses Populaires Act

Toronto, ON, November 6, 2020 -- The Ontario government unveiled a new budget on Thursday, accompanied by a comprehensive modernization of the Credit Union and Caisses Populaires Act.

Since 1994, when The Credit Union Act was passed, the financial services landscape has changed significantly and the legislation governing the sector has become outdated. This modernization of the Act will help credit unions be more agile, competitive and increase the products and services they can offer to their members.

“This is timely and immensely positive news for Ontario credit unions and their members. The new legislation will put the sector in a stronger position to meet the needs of small and medium sized businesses during this economic recovery,” said Martha Durdin, President and CEO Canadian Credit Union Association.

Key highlights of the new legislation:

- Expanded business powers through more flexibility instead of restrictive rules
- The Market Conduct Code will be recognized in the Credit Union legislation
- Governance provisions will become more principles-based, with significant sections being deferred to credit union’s bylaws
- Credit unions will be able to offer services to non-members
- Credit unions will be able to offer property and casualty insurance in branch
- The Credit Union legislation will sunset every five years

CCUA applauds the Ontario government with special thanks to MPP Stan Cho, Parliamentary Assistant to the Minister of Finance, for leading this comprehensive review and responding to the sector’s requirements and supporting its future, which has been an overarching priority of CCUA provincial advocacy efforts for many years.

About Canadian Credit Union Association

Canadian Credit Union Association is the national trade association for Canada’s credit unions and caisses populaires outside Quebec. These financial institutions offer a full range of retail banking services to over 5.8 million Canadians. Collectively Canada’s over 230 credit unions generate over \$6.5 billion in economic impact, are leaders in small business lending, and have assets of over \$260 billion. To learn more about the credit union difference and find a credit union near you, visit www.ccu.com.

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