

Remarks from Victor Fedeli, Minister of Finance for the Province of Ontario, at the Launch of the Digital Chamber of Commerce Canada

Tuesday, March, 26, 2019

“Thank you Tanya for the introduction.

It’s clear you, your team at the Chamber, and your members have put a lot of hard work into making today’s event a success.

This is a promising new beginning for your organization.

Congratulations to all of you on the official launch of the Chamber of Digital Commerce Canada.

It’s been one and a half years since I uttered the word “blockchain” in the Ontario legislature, where it was heard for the first time.

Sadly, we haven’t heard “blockchain” mentioned in the legislature again – but this group will help change that!

This is an historic moment in many ways.

You’re blazing the trail in this new sector.

We in government are trying to catch up and modernize our operations, looking at how new technologies can help us more effectively deliver programs and services to people.

That’s why our government, under the leadership of Government and Consumer Services Minister Bill Walker, has recently launched consultations on Ontario’s data strategy.

We want to look at ways to help Ontarians and businesses benefit directly from the data economy, while being confident that their privacy is protected.

That includes looking at current technologies already used widely, and exploring new ones, like artificial intelligence, genomics, and blockchain.

While not yet mature, blockchain is a promising technology in terms of protecting user privacy and enhancing data security.

Our government is currently working to adopt a “Digital First” approach across the whole of government.

This approach will not only help save us costs amid our mountain of inherited debt from the previous government, but it will also help us improve the real experience of people with government.

People can bank online 24/7, order groceries at the touch of a button, and refill their prescriptions on their smartphone.

But when it comes to renewing their driver's license or vehicle permits, it's a completely different experience, because government has only ever had to compete with itself.

We need to hold government to a higher standard and put people first.

So we hope our government will be ready for new technologies like blockchain when they mature because we need to move government forward into the 21st century.

Ontario is well-positioned to lead blockchain innovation in Canada and on the world stage.

Just yesterday, Toronto Financial International released a new fintech report.

The Toronto-Kitchener-Waterloo corridor is one of the fastest growing fintech hubs in the world, with over 190 fintech startups located in the Toronto region.

We are proud that leaders in blockchain such as Decentral, Coinsquare and Aion [EH-ON] were founded by Ontarians, and multinationals such as IBM and Microsoft have established offices here in Ontario.

Entrepreneurs such as SecureKey are leveraging blockchain to improve people's real experiences with government and financial institutions, and post-secondary institutions such as the University of Waterloo and Ryerson University are paving the way for the next generation of blockchain developers.

There is no better time for this industry to grow in Ontario.

Ladies and gentleman, this government under the leadership of Premier Doug Ford has sent a clear signal to the business community since day one of taking office.

Ontario is Open for Business and Open for Jobs. We want to make Ontario the best place for businesses to invest, grow, and create good jobs.

In recent months, we have heard from a number of people in the blockchain industry about the concerns and challenges you face in navigating the Ontario Securities Commission, or OSC, and its Launchpad initiative.

We have heard your concerns loud and clear, and we are working to ensure regulatory agencies balance their mandate to protect investors, while fostering innovation and fair, efficient capital markets.

Ontario is recognized around the world for its leadership in financial innovation, and we want to continue to hold that position.

One of the ways that our government can help do that is by removing red tape and focusing on burden reduction for businesses.

We have set ourselves a target of reducing regulatory red tape by 25% by 2020.

When you consider Ontario has some 380,000 regulations, it's an ambitious target. It works out to something like 1,000 pieces of red tape a week.

So we need your help to tell us where you see those unnecessary, duplicative or inflexible rules, and fix them.

Burden reduction for businesses is so important to our government that we have appointed a Deputy Minister for Red Tape Reduction who must report every other week on progress.

We are also introducing legislation every spring and fall to help meet our target. Finance is further working closely with regulators, including the OSC, to put burden reduction at the top of their agenda.

For example, we worked with its Chair Maureen Jensen and her team to establish a Burden Reduction Task Force.

This Task Force has the sole mandate to consider and act on any suggestions to eliminate unnecessary rules and processes, while protecting investors and the integrity of our markets.

It is focused on identifying ways to enhance competitiveness for Ontario businesses by saving time and money for issuers, registrants, investors and other market participants.

The OSC sought feedback from market participants on ways to reduce regulatory burden through a public consultation that just closed on March 1.

The OSC is now holding a series of stakeholder roundtables to engage in an open dialogue with market participants.

The initial roundtable is tomorrow. More roundtables are scheduled for May 6 and May 27. The roundtables will consider the current regulatory burden and its impact, how to identify and maximize the impact of burden reduction initiatives, and cover high-level themes that emerged in the comments received.

Our government will continue to find ways to work with the OSC to drive innovation and reduce the burden on businesses.

Appreciating that many in this room may be frustrated with the current regulatory processes, it's important for you to step forward and engage. Recognizing your time is valuable and sparse,

your business lens and technical expertise is needed at the table of these numerous consultations, advisory committees, and boards that we have.

These are brand new technologies that regulators have little experience with, and your expertise and guidance can not only help us navigate them from a regulatory perspective, but also position Ontario competitively as a welcoming jurisdiction for them. This is a government that wants to do everything possible to help businesses and entrepreneurs grow, succeed, and create jobs, especially for our young people.

So please consider putting your name forward, so you can actively contribute to these discussions and ensure your perspective is heard.

We are looking for your specific ideas on how we can cut red tape in the financial services sector.

In closing, we look forward to sharing more about our government's plan to make Ontario open for business and open for jobs,

And foster innovation and economic growth in the upcoming 2019 Ontario Budget, set to be released on April 11.

Congratulations again on creating an organization that will help elevate the importance of the emerging blockchain industry in Ontario and position our province for global success.

My team looks forward to working with you in the days and months ahead.

Thank you."