

Legislative Bulletin

Policy and Advocacy Report – Credit Union Central of Canada

May 2010 – Vol. 3

The *Legislative Bulletin* reports on federal legislative developments of possible interest to Centrals and their credit unions. The descriptions of legislation in the *Legislative Bulletin* are necessarily brief and may not address all issues that might affect the credit union system. Please contact Jan Hopper (hopperj@cucentral.com) at Credit Union Central of Canada should you have any questions about the federal legislation or wish further information. Copies of the legislation mentioned in the *Bulletin* are available at the parliamentary website: www.parl.gc.ca.

New This Issue

Bill C- 21 - An Act to amend the Criminal Code (sentencing for fraud) – (*Standing up for Victims of White Collar Crime Act*)

Bill C-21 is the reintroduction of the former Bill C-52 of the same name that was introduced in October 2009. The Bill is being used by the Government as a means to provide tougher sentences for fraud to help combat white-collar crime. The legislation calls for a mandatory two year jail sentence for those convicted of fraud over \$1 million. The legislation also introduces new aggravating factors that can be considered when handing down sentences in fraud cases including: 1. The financial and psychological victim impact taking into consideration their age, health and financial situation; 2. Whether or not the offender failed to comply with applicable licensing rules or professional standards; and 3. The magnitude, complexity, and duration of the fraud and the degree of planning that went into it. The legislation would also permit the courts to consider Community Impact Statements when fraud losses are suffered by a particular community, such as a neighbourhood, a seniors' centre or a club, etc. The proposed legislation would also require that the Courts consider making offenders pay restitution to victims in all fraud cases and restrict offenders' authority over other people's money.

Legislative Progress:

1st Reading in the House of Commons

May 3, 2010

Government Bills Being Monitored

C-9 An Act to implement certain provisions of the budget tabled in Parliament on March 4, 2010 and other measures

Government Bill C-9 contains 24 parts to enact the provisions of the 2010 Federal Budget. Five parts are of particular concern to credit unions.

Part 17 amends the *Bank Act* and other acts to enable credit unions to continue and operate as federal credit unions under the *Bank Act*.

Part 12 creates the *Payment Card Networks Act*, the purpose of which is to regulate national payment card networks and the commercial practices of payment card network operators.

Part 13 provides the Financial Consumer Agency of Canada with a broader oversight role to allow it to verify compliance with ministerial undertakings and directions. The amendments also increase the Agency's ability to undertake research, including research on trends and emerging consumer protection issues.

Part 14 amends the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to confer on the Minister of Finance the power to issue directives imposing measures with respect to certain financial transactions.

Part 16 amends the *Canada Deposit Insurance Corporation Act* to allow the Governor in Council to specify when a bridge institution will assume a federal member institution's deposit liabilities and allow the Canada Deposit Insurance Corporation to make by-laws with respect to information and capabilities it can require of its member institutions.

Legislative Progress:

1 st Reading in the House of Commons	March 29, 2010
Most recent debate in the House of Commons	May 12, 2010

Credit Union System Activity:

Letter submitted to Chair of Finance Committee	April 22, 2010
Appearance made before Finance Committee	May 11, 2010

Private Members' Bills – House of Commons

C-501 An Act to amend the Bankruptcy and Insolvency Act and other Acts (pension protection)

This bill amends the *Bankruptcy and Insolvency Act* to grant unfunded pension plan liabilities the status of secure debts under bankruptcy proceedings, and take other measures.

Legislative Progress:

1 st Reading in the House of Commons	March 24, 2010
Most recent debate in the House of Commons	May 11, 2010

Senate Public Bills

S-202 An Act to amend the Canadian Payments Act (debit card payment systems)

Bill S-202 (the former Bill S-242) was reintroduced by Senator Ringuette. This act defines Interac, Visa, and MasterCard debit systems as “designated payment systems” under the Canadian Payments Act.

Legislative Progress:

1 st Reading in the Senate	March 4, 2010
2 nd Reading vote and referral to Banking Trade and Commerce Committee	April 20, 2010

S-214 An Act to amend the Bankruptcy and Insolvency Act and other Acts (unfunded pension plan liabilities)

Introduced by Senator Ringuette, this enactment would amend the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act* to ensure that unfunded pension plans' liabilities are accorded the status of secure debts in the event of bankruptcy proceedings. The enactment also amends the *Canada Business Corporations Act* to provide an efficient procedure to enable former employees of bankrupt corporations that are owed amounts to proceed with claims against its directors. As well, the enactment amends the *Employment Insurance Act* to specify that payments made to a claimant out of the proceeds realized from the property of a bankrupt or by a government in the event of bankruptcy will not be deducted from benefits payable to an employment insurance claimant. Finally, the enactment amends the *Wage Earner Protection Program Act* to include proposals, compromises and arrange

Legislative Progress:

1st Reading in the Senate	March 24, 2010
Most recent debate in the Senate	May 12, 2010

S-216 An Act to amend the Bankruptcy and Insolvency Act and the Companies' Creditors Arrangement Act in order to protect beneficiaries of long term disability benefits plans

The enactment amends the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act* in order that the status of a preferred claim be conferred to the liabilities of the fund established for the purpose of a long term disability benefits plan and that such fund be used to continue the payment of benefits to the beneficiaries.

Legislative Progress:

1st Reading in the Senate	March 25, 2010
Most recent debate in the Senate	May 12, 2010

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