

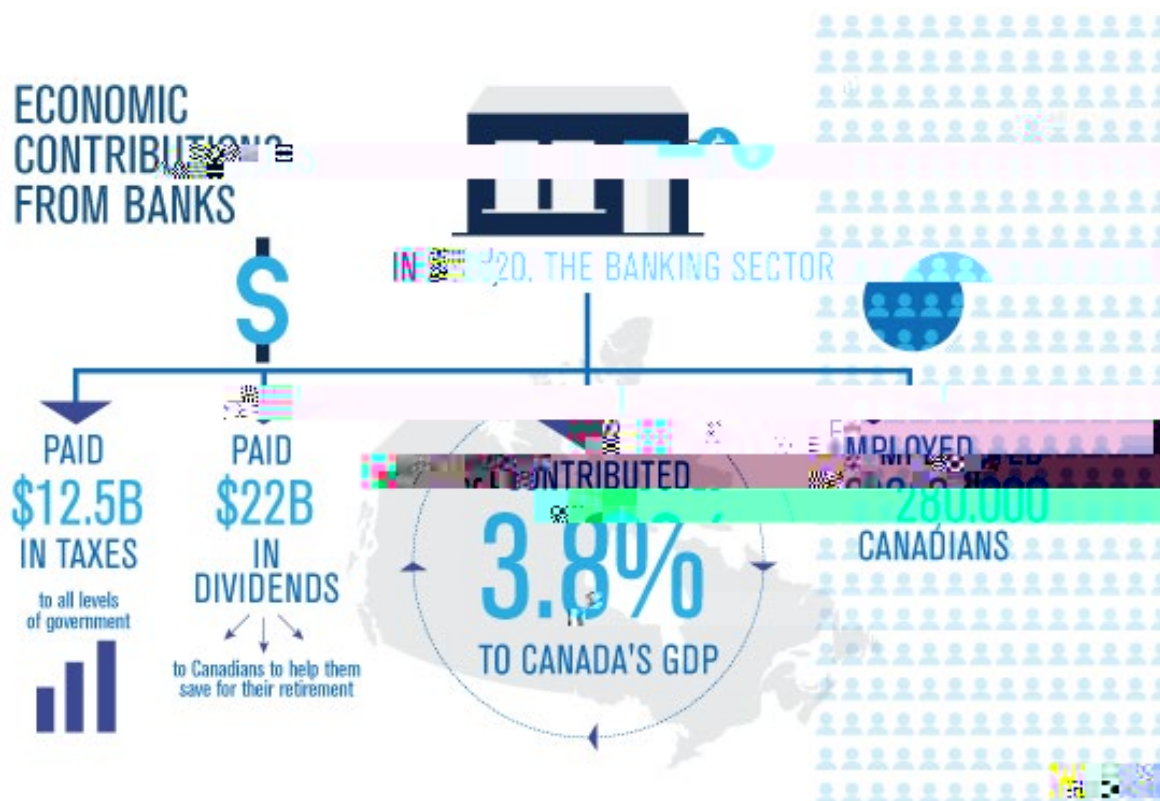


Recommendations

The Government of Canada should:

1. Reconsider the FI tax and CRD and recommit to the principle of tax neutrality. At a minimum, the Government needs to commit to a firm sunset date for the FI tax to give investors and those working in the banking sector confidence that Canada is committed to attracting investment.
2. Only proceed to implement Pillar 2 of the OECD Inclusive Framework when it is clear that Canada's primary competitors are taking action to do so and should only proceed at the same pace as those jurisdictions.
3. Undertake a comprehensive review of Canada's tax system to better align it to the needs of Canada's evolving economy and to ensure Canada can encourage growth and investment to compete internationally. s

- The banking industry employs more than 280,000 people, making it a leading source of full-time, well-paying jobs across the country. Banking industry employment has grown by 8.3% over the last 10 years.
- Banks authorized \$1.52 trillion in credit to Canadian businesses as of 2021. Of that, \$269.1 billion went to 1.72 million small-and-mid-sized businesses.
- With a network of over 5,780 branches, Canadian banks are the anchor of communities nationwide.
- The banking industry invests heavily in new technology to meet the needs of Canadians. In the last decade, Canadian banks have invested nearly \$100 billion in technology.



Banks recognize the important role they play in Canada's economy and have proven time and again that they work with Canadians during challenging times. During the COVID crisis, banks stepped forward to provide relief to individuals and businesses providing:

- more than 800,000 mortgage payment deferrals,
- more than 1,290,000 payment deferrals for credit cards, credit lines, personal loans, and auto loans,
- waiving a total of \$117,000,000 in fees.

Enabling the Transition to

- safeguarding funds; and
- reporting

but excludes consumer protection. Payment services providers deal directly with consumers, so the absence of consumer protection is a significant shortcoming. **The CBA recommends that the Government create a consumer protection and redress framework as part of its retail payments oversight framework.**

Anti-Money Laundering

