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CNW CODE 01 + WEEKLIES
CANADA WIDE**

**Reference on securities:
The Supreme Court sides with Québec**

Montréal, December 22, 2011 – “I am indeed pleased with the Supreme Court of Canada’s decision. The Québec government was the first to challenge the federal proposal and to stand firm in the fight against unilateral Government of Canada intrusion,” Minister of Finance and Minister of Revenue Raymond Bachand said today.

The Supreme Court of Canada has declared that the federal government proposal to regulate securities oversteps its constitutional jurisdiction. “This is a major victory for Québec and for Canadian federalism. The Supreme Court’s opinion is an unequivocal reminder that the Parliament of Canada may neither unilaterally assume provincial powers nor broaden its powers as it sees fit. It must abide by the limits of the sharing of jurisdiction,” Minister Bachand noted.

Canada’s securities regulation system is one of the best in the world. “Through the cooperation of all of the provinces, we have a harmonized nation-wide system based on full provincial participation, not on centralization in Ottawa,” Minister for Finance Alain Paquet said.

Moreover, in 2006 the OECD¹ ranked Canada second among 29 countries, ahead of the United States and the United Kingdom. Moreover, in 2010, the World Bank² ranked Canada fifth. It should be noted that Québec is benefiting from the expertise and know-how of the Autorité des marchés financiers, a world-class regulator. In addition, the government has adopted numerous statutes in recent years to better protect investors.

“We are pleased to be able to devote ourselves fully from now on to the ongoing enhancement of the harmonized provincial-territorial system. With my colleagues from the other provinces and territories, we will continue to enhance oversight of the financial sector for the benefit of investors,” Minister for Finance Alain Paquet said.

¹ Organisation for Economic Co-operation and Development, *Economic Policy Reforms: Going for Growth 2006*.

² The World Bank, IFC and Palgrave MacMillan, *Doing Business 2010, Comparing Regulation in 183 Economies*.

“The federal system hinges on respect for the sharing of constitutional jurisdiction and cooperation between the two levels of government. This marks a victory for federalism over unilateralism” Minister Bachand concluded.

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