SIMA In Focus

Septemeber 2026

Regulatory fees have a cumulative impact

Over the past several months, we have been focusing much of our advocacy work on regulatory fees. Because of significant fee changes proposed or moving forward in Quebec, Ontario and British Columbia, we have been engaging with regulators and policymakers across jurisdictions with a view to what these changes mean for our industry.

The numbers tell the story. In Quebec, we opposed the AMF's recent proposal, which included a 45 per cent fee increase for filing Fund Facts and ETF Facts documents. In 2023, the AMF collected 74 per cent more than the OSC in regulatory fees from investment funds, which has us worried about further increases that may follow.

In Ontario, our submission raised similar concerns about rising regulatory costs. OSC market-participant fees have already shot up nearly 67 per cent over the past decade, vastly outpacing inflation. Given that context, we question the need for the OSC's proposed automatic annual CPI adjustment, which would doubtless increase fees further.

In BC, where submissions on the BCSC's proposal are due August 25, we are opposing a proposed 50 per cent jump in fees for exempt distribution reports, which would be the second significant change to these fees in three years. We are asking the BCSC to consider whether greater use of automation and other technologies, including AI, could improve regulatory efficiency and lessen the need for higher fees.

While the proposals differ depending on the jurisdiction, which may be an issue in and of itself, our message is consistent.

Fee-setting should be transparent and predictable, with a clear connection between the fees charged and the cost of regulatory oversight. Regulators should also be looking for opportunities to improve efficiency and coordinate more closely across Canada before adding to the costs borne by market participants.

This is particularly important because these changes do not occur in isolation. Recent and proposed fee increases come on top of a 60 per cent increase in SEDAR+ system fees introduced in 2025, followed by annual increases of three per cent for the next four years.

The cumulative impact on the industry is why we are taking a national view.

There is an important competitive dimension to this work. Over the past decade, asset-weighted management fees for long-term mutual funds have declined by nearly 30 per cent. Our member firms have found efficiencies and adapted their businesses to deliver greater value to investors. On the contrary, regulatory costs continue to rise.

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Our advocacy is focused on three principles: transparency, predictability, and cost discipline. We believe similar regulated activities should, wherever possible, attract similar charges across Canada. Where differences exist, they should be transparent, evidence-based, and connected to regulatory workload, service levels, and the true cost of delivering oversight.

We are encouraged by Ontario's recent commitment to join the CSA's passport system, an important development that we have actively advocated for. There is work ahead as the terms of Ontario's participation are developed, but the announcement creates momentum toward greater regulatory harmonization at a time where Canadians need to be united.

We intend to build on that momentum. Our work on regulatory fees will continue beyond the current consultations, bringing a national perspective to the discussion and advocating for a regulatory environment that protects investors and supports healthy and growing capital markets, while enabling firms to compete, innovate and grow.

In a recent op-ed, I look at regulatory fees through the lens of Canada's economic competitiveness and why the choices we make today matter to our ability to attract investment and support growth in the future.

Read the op-ed here

From the research desk

Research Roundup

Advocacy and insights

Events

Our digital transformation

A peek into our digital evolution

SIMA has evolved significantly in the past two years, broadening our representation across Canada's securities and investment management industry, expanding the issues we champion, and deepening our engagement with regulators, governments, stakeholders and the media.

As our role has evolved, so too has the way we engage with our members. We're putting new tools and infrastructure in place to make it easier for you to connect with us, find the information and resources you need, and take part in the work that matters to your business.

This fall, we're taking the next step and we're excited to share it with you.

We will soon unveil a new website and member portal, marking an important step in how we connect with our members and share our work.

Here's a first look at what's coming.

A better way to find what you need

SIMA produces a wide range of research, policy analysis, submissions, insights and other resources. The new website will give you faster, more intuitive ways to find what you're looking for, with improved navigation, intelligent search, and a stronger focus on our latest work.

More values for our members

As a member, you will have secure, single-login access to the website and member portal, which offers exclusive content and resources. The aim is to create a more seamless experience that makes it easier to stay connected to our work.

A more connected way to participate

The member portal will also provide a central place for you to participate in committees and working groups, including access to materials and profile management. This will give you a clearer view of where and how to engage on matters important to your business and the industry.

Watch for the launch this fall. We're excited for you to see what we've been working on.

Research roundup

Our research team is gearing up for a busy fall with three big research initiatives underway. These evidence-based reports help to add weight to our policy and advocacy work. For example, our private savings research in 2025 strongly supported our lobbying efforts related to retirement security, and brought important attention to this issue.

Here's a preview of what you can expect.

The annual **SIMA/Pollara investor survey** uncovers new insights about investor behaviour. Every year we update the survey questions to get a clearer picture of what is motivating investors today and what is evolving over time, such as the use of finfluencers, which the industry and other stakeholders can use to adapt approaches and strategies.

We are excited about an upcoming SIMA research report about the economic footprint of the securities and investment management industry. The research investigates the value the industry brings to the Canadian economy by calculating what it adds to GDP, how much revenue it generates, and how many jobs it supports. The report has expanded to include capital markets data for the first time. This type of research consistently shows that, despite regulatory challenges, the industry remains important for Canadians and the economy, and we will use data from the research in many of our advocacy materials. Stay tuned.

The **financial experiment project** is a behavioural finance study examining whether the naming and framing of Canada's registered accounts – TFSA and RRSP – influences investor perception, account selection, and asset-allocation decisions, independent of tax incentives. This work builds on findings from our private savings research last year which showed that many Canadians hold excessive cash in TFSAs, even when these accounts are used as long-term savings vehicles.

Advocacy and Insights

Capital formation: moving from discussion to action

By Petra Van Daele, Senior Vice-President, Head of Public Affairs & Communications

In the spring, we brought together industry leaders, regulators and market participants for SIMA's Capital Formation Roundtable. The goal was to identify practical ways to strengthen Canada's ability to attract capital and to determine where SIMA could play a meaningful role on behalf of our members.

The discussion focused on three areas:

- product innovation
- market infrastructure
- tax competitiveness

The roundtable was designed to uncover ideas that could move the needle, understand where participants agreed, and where SIMA could help advance the work.

What we heard

A few themes came through clearly as competitive disadvantages for Canada, including regulatory fragmentation, tax complexity, and the decline of our public markets. While the themes are not new, the consistency of the feedback was telling.

Participants agreed on the need to make better use of the capital Canadians already hold, rather than only looking for new sources of capital.

Product innovation was one area where the group thought Canada could do more. They pointed to a tax efficiency gap between They also noted a large amount of retail capital sitting in cash, particularly TFSAs.

There is an opportunity to put this cash to use if investors have access to genuinely competitive products.

Discussion about tax competitiveness led to two clear priorities. The strongest agreement was about the need to reduce complexity and the cost of compliance, with audit and reporting requirements cited as real barriers to investment.

Participants also saw tax policy as a tool to support entrepreneurship and innovation, including through the treatment of retained earnings and incentives for commercialization.

Regulatory fragmentation was the main concern related to market architecture. Participants described it as a direct drag on competitiveness, making Canadian markets slower and more expensive to access than markets overseen by a single regulator.

Fees were part of the discussion as well, with many citing an impact on competitiveness.

These issues are interconnected. Ideas about product, tax and market structure often overlap, each having implications for how Canada competes for capital.

Actions we've taken since the roundtable

A working group of tax professionals developed a submission to Finance proposing an elective Canadian Collective Investment Vehicle (CCIV). The goal is to attract and retain foreign capital and to give Canada a stronger response to the significant tax reforms that have been introduced by other jurisdictions for capital markets and investment businesses. The submission also proposed modernizing section 115.2 of the Income Tax Act – the "safe harbour" rule – that provides certainty for non-resident investment funds using Canadian-based investment managers so that it better reflects how investment managers operate today.

Fees are another immediate priority. The AMF, OSC and BCSC each made fee proposals this spring and summer and we're actively engaged with all three. (See also Andy's column in this newsletter).

But this is about more than controlling cost. Fee structures, complexity, and costs have a direct impact on how Canadian markets compete with other jurisdictions. That's the case we're making.

Ontario's recent decision to join the national regulatory passport system is a significant step toward reducing fragmentation, however we don't view this as the end. The passport system works well and provides a strong foundation to build on.

We are now considering what the next phase of harmonization should look like, along with more immediate, practical issues raised by members.

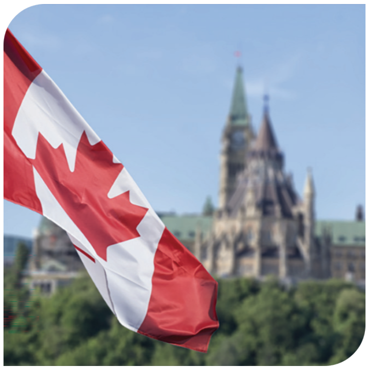
Our Product Sub-Group has continued its work since the roundtable and has refined its focus to three areas:

- investing through Canada by removing barriers to foreign capital, including via the CCIV work
- investing in Canada by encouraging investment in Canadian capital projects, including a potential "Invest in Canada" sleeve within registered plans
- better aligning product development, distribution, regulation and tax policy

Broader strategy going to the board

We are developing a full strategy and will present it to the SIMA board this fall. It will include recommendations about where we should lead, where we should work as part of a coalition, and what will be needed to advance the priorities.

Our focus now is on turning the ideas raised at the roundtable into progress for members and driving competitiveness in Canada's capital markets.



Bringing our priorities to the federal pre-budget table

By Petra Van Daele, Senior Vice-President, Head of Public Affairs & Communications

SIMA recently joined a federal pre-budget consultation roundtable hosted by Secretary of State Wayne Long, bringing together representatives from financial services, pensions, tax, legal and economic sectors.

For SIMA, the discussion was an opportunity to put the investment industry's priorities directly in front of federal policymakers and reinforce the issues we have been advancing through our broader advocacy.

Three priorities we put forward:

- Retirement security: We reinforced our call to modernize Canada's retirement savings framework by increasing the RRSP-to-RRIF conversion age from 71 to 73 and eliminating mandatory minimum RRIF withdrawals for Canadians with balances of $200,000 or less.

- As Canadians work and live longer, greater flexibility in how and when they access their retirement savings can help them make their savings last.

- A more competitive investment environment: We also highlighted opportunities to use tax policy to support investment and investment-management activity in Canada.

- This included our work on the Canadian Corporate Investment Vehicle (CCIV) and modernizing the existing safe harbour rules—two areas where changes could reduce barriers and help Canada compete more effectively for investment-management activity. These are priorities SIMA has been advancing directly with Finance.

- Greater regulatory coordination: Regulatory fees were also part of the discussion, but we used the opportunity to make a broader point about regulatory coordination across Canada.

- Differences in rules, processes and fee structures create additional cost and complexity for firms operating across jurisdictions. While securities regulation is primarily provincial and territorial, the federal government can play an important convening role in bringing jurisdictions together to identify opportunities for greater coordination and harmonization.

Keeping the conversation going

This roundtable is part of a broader series of federal pre-budget consultations. SIMA will continue to reinforce these priorities with policymakers as the federal government develops its pre-budget agenda, while connecting them to the broader issues of investment, capital formation and retirement security.

Events

SIMA Annual Leadership Conference

Join Canada's premier investment industry event

Registration is now open for SIMA's Annual Leadership Conference, taking place on October 29 at Toronto's Fairmont Royal York Hotel. Join hundreds of leaders and professionals from across Canada's investment industry for a day of expert perspectives, meaningful dialogue, practical takeaways, and valuable networking opportunities.

This year's agenda will explore the issues shaping our industry, from regulatory developments and economic policy shifts to technological innovation and emerging market trends.

Whether you're an asset manager, investment dealer, capital markets professional, or industry partner, you will gain insights you can use and make connections to help you navigate a rapidly evolving landscape.

For details on sponsorship opportunities, please contact mwood@sima-amvi.ca.

Register today