



SUBMISSION

TO THE DEPARTMENT OF FINANCE SECOND STAGE CONSULTATION ON THE
FEDERAL FINANCIAL SECTOR REVIEW

September 5, 2017

Vision Credit Union is pleased to participate in the Department of Finance's second stage consultation on its review of the federal financial sector framework.

Vision Credit Union is a full-service financial institution, which over the last 67 years has evolved from one branch in Camrose, Alberta, with assets of \$178, serving 21 members, to 16 branches serving approximately 23,000 members, with assets over \$800 million.

Our members purchase a common share for \$1.00. Every year our Board of Directors declares an allocation into members' share accounts, historically this percentage has averaged around 25%.

Our members accumulate Profit Share through every day banking, namely by earning interest on deposits and paying interest on loans. A percentage of that accumulation is paid back to the member every November in the form of Profit Share, which is a cash payout to the member.

For Vision Credit Union, personal service carries beyond the walls of our various branches. For us, personal service is commitment to the development and maintenance of community relationships, infrastructure and organizations. Just as we have a membership – we consider ourselves members in the communities we serve.

We believe in building branches in small centres. In hiring local. And in meeting the very specific needs of our neighbours.

In saying as much, it seems obvious that credit unions are fundamentally different than banks, however we do not feel we should be forced to invent different words to replace terms that all consumers use to describe their dealings with regulated institutions like credit unions.

The enforcement of an outright ban on the use of the words "bank, banker and banking" would disadvantage credit unions. We would have to spend millions of dollars to popularize new terms to replace common phrases like "online banking," "business banking" or "bank with a credit union" and could still be vulnerable to an enforcement action by OSFI.

Canadians use "bank" and "banking" terminology to describe financial services; these are terms that Canadians use and understand to describe their dealings with a deposit-taking institution like a bank or credit union. Credit unions are proud of our differences and work hard to promote them, but we need to speak in a language Canadians use and understand.

We recommend the Department of Finance propose changes to the Bank Act to allow credit unions, as prudentially regulated deposit-taking institutions, to use the terms "bank" and "banking" to describe their activities and services. To not allow common, coined words such as the ones in question will be unjust and unfair not only to credit unions, but all Canadians.

Thank you for considering this submission. We welcome the opportunity to work with you.

For more information, please contact:

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