

CITY OF HAMILTON

MOTION

Council Date: September 9, 2015

MOVED BY COUNCILLOR M. GREEN.....

SECONDED BY COUNCILLOR

REQUESTING MUNICIPAL AUTHORITY FROM THE PROVINCE TO LIMIT THE NUMBER AND REGULATE THE LOCATIONS OF PAYDAY LOAN AND CHEQUE CASHING OUTLETS

WHEREAS the Province of Ontario's Ministry of Consumer Services is responsible for the *Consumer Protection Act* and the *Payday Loans Act* which regulates and licenses money lending businesses;

WHEREAS the Province of Ontario regulates the interest rates of money lending businesses while Municipalities have the authority to regulate and license businesses to protect consumers if this is not already done by the Province;

WHEREAS the use and expansion of payday loan and cheque cashing outlets in Hamilton neighbourhoods is a significant consumer protection issue identified by the Hamilton Roundtable for Poverty Reduction and neighbourhood and community groups; and

WHEREAS it is important that customers of payday loan and cheque outlets have a complete understanding of the financial services being offered.

THEREFORE BE IT RESOLVED:

- (a) That the Mayor be authorized to forward correspondence to the Province of Ontario, to the attention of the Minister of Consumer Services, requesting that the protections afforded by the *Payday Loans Act* be strengthened and that Municipalities be authorized to limit the number and regulate the locations of payday loan and cheque cashing outlets;
- (b) That Staff be directed to research the feasibility of licensing payday loan and cheque cashing outlets to assist in consumer protection by requiring the businesses to post their rates, show comparative and annualized rates and information regarding debt counselling.
- (c) That staff analyze and map pay day loan and cheque cashing outlets in Hamilton and report back to Council on recommendations for alternative accessible financial services for Hamilton residents.