

General Public

- Agreement with licensing elements noted on web site. Consider limiting their presence to only 1 every 5 km radius and regulate the hours of operation.
- The review must look at the number of payday loans in each community.
- Numbers should be limited, and licensing rules should be strictly enforced.
- The key points summarized seem reasonable and responsible steps to take.
- Establishments should be regulated as much as possible, with the strictest municipal licensing measures at our disposal.
- Recommended the following: Cap total lender locations, minimum distance between lenders, minimum distance between a lender and vulnerable uses and have a licensing regime with an annual fee, info disclosure and consumer education requirements.

Vanier Community Association, SOS Vanier and Vanier BIA (Joint submission)

- “The proposed City of Ottawa separation distance and licensing requirements would provide an effective policy tool to help mitigate the proliferation of payday lenders, effectively reducing the associated negative externalities in the long term.”
- “Further, we support all the potential elements of the municipal licensing regime, as proposed by the Emergency and Protective Services Department”.

ACORN

- Supported City of Hamilton approach of requiring posting credit counselling and interest rate comparisons.
- Concerned with clustering of uses, especially in Vanier.
- Interest in regulations for installment loan business.
- In favour of capping of establishments.
- Asked if portions of a higher license fee could go towards supporting micro-loans.
- Concern with payday loan advertising (exterior signage).

Industry Comments

- Concerned with the ability to move to a new location if forced out of existing location by landlord (for whatever reasons).
- Landlords may charge them more because of restrictions.
- Moving to a new location will be difficult with new planning rules and noted that retail stores are already reducing in number.

- On the criminal records check, the company officers undergo background checks with various provincial licensing agencies, and we request not to subject company officers to yet another background check and/or accept checks which are submitted to other provincial regulatory agencies.

Canadian Consumer Finance Association (CCFA) – on behalf of payday loans industry

Agreed with planning approach and do not believe that a licensing scheme or any further restrictions or requirements are warranted.

Further feedback included:

- “Not necessary to have licensing because it does not further the objectives of City Council in restricting growth of payday loan outlets, it creates redundancy because of existing licensing requirements of the Provincial Government and adds cost for the City.”

“In the event that the City proceeds with licensing:

- Licensed lenders should be able to relocate their business to a new location as long as the new location meets the new zoning requirements
- No restriction preventing a licensed operator from selling their business to a third party as a going concern provided that the third party complies with provincial and municipal licensing requirements
- Licensing fees should be set at a reasonable amount to reflect licensing costs and not be set a punitive rate
- We do not believe the proposed requirement of delivery of further financial information is necessary (given provincial requirements). If City requires this regulation, care should be taken to avoid overlap.”

On the requirement for a criminal records check (CRC), the Canadian Consumer Finance Association (CCFA) does not support this requirement noting the Province already requires a CRC for the owner/applicant and disagrees for the need of having a CRC for the manager of the establishment. The CCFA advises that there is no risk to the public safety or consumer protection from payday lending corporations or their managers, that the CRC requirement is redundant, and adds needless costs, delays and administrative time especially with personnel changes (at the manager level). Finally, the CCFA also notes that they disagree with the CRC requirement on the basis that the regulatory initiative of the City was to address growth and clustering of payday loan establishments, and not consumer protection.