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*Peggy Nash*

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June 18, 2014

Minister of Finance  
The Honourable Joe Oliver  
Department of Finance Canada  
140 O'Connor Street  
Ottawa, Ontario K1A 0G5

Dear Minister Oliver,

I am writing you today to encourage you to act to ensure that Canada secures a yuan trading hub. As the yuan is increasingly becoming a global currency, there would be great advantage to the Canadian economy to secure the first North American settlement centre.

As you know, a number of groups are actively working to seize this opportunity to boost our financial sector. The federal government should be an active partner in supporting the work of the Canada China Business Council, the Toronto Financial Services Alliance, AdvantageBC, and others who have been leading the effort to establish a renminbi trading hub in Canada.

Securing a renminbi settlement centre would provide our financial sector an excellent growth opportunity, as well as attract businesses to Canada. In the first six months of London, UK acquiring settlement capabilities, trade services in yuan increased by 390%, import/export financing increased by 19% and the aggregate foreign exchange volume increased by 150%. If we were able to secure the first North American renminbi settlement hub, this would certainly increase our presence in the global financial market.

Securing a renminbi settlement hub would also reduce fees that Canadian businesses must pay to transact with China. Currently enterprises that wish to conduct business in yuan must pay to convert Canadian dollars to either euros or American dollars, then again to convert the second-stage currency into renminbi. Establishing a Canadian settlement centre would cut the first stage



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of this process out, saving businesses large fees and creating a more efficient way for them to interact with their Chinese partners. With a more streamlined and efficient clearing process, our economy could grow the already vibrant trade relationship we enjoy with the world's second largest economy.

Canada already has a world class financial sector and we should be looking for opportunities to support and strengthen its role vis a vis other global centers such as London, Singapore and Zurich. I strongly encourage you to engage with the government of China to ensure that we seize this valuable opportunity to place a yuan trading hub in Canada.

I would be pleased to discuss this issue with you further.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peggy Nash', written in a cursive style.

Peggy Nash  
MP Parkdale – High Park  
Official Opposition Industry Critic