

## **Are the Candidates on the Right Track?**

The results for the OCC members' survey on the 2004 federal election are in. The survey, which was open for a little over a week, reveals that the majority of respondents are not satisfied with the candidates efforts to address issues that matter.

The survey report is available on our website at <http://www.occ.on.ca/2obsresults.asp>. Some highlights of the results include fiscal policy ranking as the highest election issue of this campaign, as selected by members. Members also stated that the candidates have not effectively addressed several issues including transportation, infrastructure and border issues. The most effectively addressed issue, according to just over 40 per cent of respondents, has been health care. Over half believe that an 'accountable government' is the key issue, above issues including leadership, health care, and tax cuts. When asked if members would like to see a public debate on private health care, almost 75 per cent said "yes". Visit our website to view the complete report.

Thank you to all the chambers and boards who took the time to respond to the survey. Your feedback and input is appreciated. If you have any suggested topics for the Ontario Business Survey Program please email [rachelkagan@occ.on.ca](mailto:rachelkagan@occ.on.ca).

The 2004 federal election is on Monday, June 28 - don't forget to vote! For more information and voter/election details, visit the Elections Canada website at [www.elections.ca](http://www.elections.ca).

## **OCC Continues to Keep the Dialogue on Bad Borders Open**

In a recent presentation to the Canada-Ontario Export Forum (COEF), Stuart Johnston, Vice President of Policy and Government Relations, was asked to address an audience of business leaders on the OCC's Cost of Border Delays Study. The COEF is a partnership between the federal and provincial governments and offers export assistance to active and potential exporters helping to coordinate international business development activities. For more information on the organization and their activities please visit their website at <http://www.ic.gc.ca/coef>.

On June 24, Mr. Johnston addressed attendees from several different private and public organizations including: Agri-Food Canada, Canada Mortgage & Housing Corporation, Canada-Ontario Business Service Centre, Canadian Manufacturers & Exporters, Export Development Canada, International Trade Canada, among others. His presentation acknowledged the need for action on the part of governments to provide short, medium and long term solutions. Solutions providing for investments in infrastructure; investments in time-saving, and security enhancing technology; and, investments in education for drivers, transportation companies and shippers, so they know what programs can help them conduct cross-border trade in the most efficient way possible.

The day before Mr. Johnston's presentation, *The Cost of Bad Borders* editorial, written by OCC President and CEO Len Crispino ran in the National Post. The editorial cited several of the key figures from the Chamber's Borders Cost Study and reiterated its message that Ontario must continue to legislative and physical barriers to create a more dynamic and competitive market.

## **Keeping Ontario's Drinking Water Safe Should Not Mean Hindering Ontario's Tourism**

In the wake of the Walkerton tragedy, the provincial government committed to ensuring the quality of Ontario's drinking water. Following this, the government recently issued Regulation 170/03 under the Safe Drinking Water Act, 2003 to implement the changes. It has come to the attention of the OCC that many businesses, particularly those that are small and rural, will be adversely affected by these regulations.

In order to comply with the regulations businesses must conduct a variety of testing and infrastructure instalments which some members have suggested will be onerous and economically disastrous to their businesses. The OCC is also encouraging all members to participate in an online survey prepared by Wellsafe, a website developed to initiate discussion and coordinate efforts to amend Regulation 170/03. The website can be found at [www.wellsafe.net](http://www.wellsafe.net).

The Ministry of the Environment has been made aware of the issue and is holding ongoing consultations with key stakeholders over the course of the summer. While the compliance deadline for small non-municipal non-residential owners has been pushed back, further amendments to the regulations have yet to be made.

The OCC has consulted with members on this issue will be preparing a submission to the government. For more information on the Safe Drinking Water Act, 2003 please visit <http://www.ene.gov.on.ca/envision/water/sdwa/legislation.htm>.

## **Income Tax Act Amended to Impose New Ontario Health Premium**

In legislation introduced to the House on June 21 by Finance Minister Sorbara, the Income Tax Act has been amended to impose a tax called the Ontario Health Premium. The new section 2.2 imposes the tax, and the new section 3.1 governs how it is calculated. There is also a new provision built into the legislation for legislative review of the premium within five years. The legislation, Bill 106, can be found on the Legislative Assembly of Ontario's website or by following this link: [http://www.ontla.on.ca/documents/Bills/38\\_Parliament/Session1/b106\\_e.htm](http://www.ontla.on.ca/documents/Bills/38_Parliament/Session1/b106_e.htm).

Unlike British Columbia and Alberta, where similar levies exist, this premium is based on taxable income for a taxation year, and will begin to be deducted from pay and pensions as part of income tax starting July 1, 2004. Ontario is the only province with a health premium based on income. Taxable income is income after allowable deductions. Individuals with taxable income of more than \$20,000 a year will pay premium. About 43 per cent of all Ontario tax filers would not pay the premium. Full-year premiums vary depending on income levels and will double in 2005. For example, an individual with taxable income of \$21,000 will pay \$30 for the 2004 tax year and \$60 in the 2005 tax year. While an individual earning \$200,600 and over, after allowable deductions, will pay \$450 this year and \$900 next year. For more information visit the Ministry of Finance website at <http://www.gov.on.ca/fin>.

The premium is expected to generate \$1.6 billion in 2004-05 and will be reinvested into health care, specifically to reduce hospital wait times, improving access to health care professionals, home care and long-term care. The funds would also be used to enhance preventative health measures and expand mental health services in Ontario. There is also a provision built into the new legislation that would require the Public Accounts process to report on how the revenue was being used to invest in

health care in Ontario. The new section 29.1 specifies that the Public Accounts for each fiscal year shall include information about the use of the revenue from the Ontario Health Premium.

### **Contributing to the Success of the Ontario Economic Summit**

The inaugural Ontario Economic Summit (OES) will be held from October 6 to 7 in Niagara-on-the-Lake, and we are pleased to announce the summit site is active at <http://www.occ-oes.com>. The Summit will launch an on-going framework towards contributing to the province's future economic growth and prosperity, and is intended to identify key actionable solutions that, collectively, members of the Summit will undertake as priorities to drive the Provincial economy forward. Members of the summit including leaders from business, public, academia and labour sectors. The three themes which will be debated and discussed at the OES are: Ontario's Economy; Ontario and US Relations; Ontario and Global Relations.

We are seeking feedback on the OES and encourage OCC members, whether registered for the summit or not, to please take a few moments to complete the summit survey which can be found the summit site and click on link below the *Summit Survey* heading on the left hand side of the web page.

The purpose of the survey is to develop an understanding of what Ontario business leaders feel about the economic performance and competitiveness of Ontario and how it might be improved. It will also seek to identify and rate the importance of the following key issues: investment climate, next generation workforce, education, innovation, regulation, taxation, infrastructure and new markets. Responses will help outline the agenda for the summit.

The results of the survey are critical to shaping the agenda for the ongoing discussion of this issue and will provide essential insights on the perspectives of Ontario's business leaders. The survey will take approximately ten minutes to complete. Thank you in advance for take the time to help us ensure that the OES is a success.

### **Upcoming Events**

Listed below are some upcoming events that may be of interest:

- Federal Election, June 28
- Team Ontario Teleconference, June 29
- Canada Day – OCC Offices Closed, July 1
- OCC Health Policy Committee Meeting, July 6
- OCC Transportation and Infrastructure Meeting, July 7
- OCC Education Meeting, July 15
- OCC Borders and Trade Development Committee, July 21
- Ontario Economic Summit (OES), Niagara-on-the-Lake, October 6-7, 2004
- Outstanding Business Achievement Awards (OBAA) Gala Dinner, November 10, 2004