

McGuinty Government Releases Plan to Tackle Ontario's Growing Infrastructure Deficit

On July 27 the Ministry of Public Infrastructure Renewal released its framework, *Building a Better Tomorrow: An Infrastructure Planning, Financing and Procurement Framework for Ontario's Public Sector*, to guide financing and procurement policy of Ontario's public infrastructure. The document, related backgrounders and today's press release can be found on the Ministry's website at http://www.pir.gov.on.ca/userfiles/HTML/cma_2_29289_1.html.

This framework is part of the government's 10-year strategy to restore Ontario's public infrastructure, which is currently being developed and will be released later this year – it will have greater detail on what the Ministry plans to do, and when they plan to do it. The framework released on Tuesday discusses how the Ministry will plan, finance, procure and manage Ontario's infrastructure needs.

The document outlines five principles to govern the approval of infrastructure projects and the selection of financing options by the government or its partners, including municipalities, school boards, colleges, universities and hospitals. The five principles are: maintaining public interest and ownership, demonstrating value for money, accountability, and fair and transparent processes.

The framework declares that public ownership and control will be maintained for hospitals, schools and water works. The private sector may be involved in the financing stage of a project, however, government will retain ownership. In its press release, the McGuinty government stated that it is not relying entirely on private-sector financing for infrastructure projects. Other sources of money identified include:

- Direct grants from the provincial government, which will total \$3.3 billion this year
- Grants from Ottawa under the federal infrastructure program
- A new agency to be created later this year called the *Strategic Infrastructure Financing Authority* will provide low-interest loans
- New local government investment tools, including a gas tax
- User fees where appropriate and regulated

The OCC has been actively involved with the Ministry on this initiative from the start. In March, the OCC prepared a submission to the Ministry on its review of infrastructure financing and procurement in its *Building a Better Tomorrow* discussion paper. Earlier in July the OCC met with senior political staff to discuss the issue. On the Ministry's website you can find out what others are saying about the financing and procurement framework, including OCC President and CEO Len Crispino: "Investing in infrastructure will strengthen our cities, towns and local businesses. We are pleased to see a provincial infrastructure renewal plan with sound business practices and financing strategies." The OCC will prepare a written submission on the Ministry's release.

New Fraser Institute Study Examines Ontario's New Health Premium

On July 29, 2004, the Fraser Institute released a new study entitled *Paying More, Getting Less: Ontario's Health Premium and Sustainable Health Care*, which can be found on its website as a downloadable PDF at www.fraserinstitute.ca.

The study states that in order to keep up with the current rate of increase in provincial health care spending, Ontario's new health premium must triple by 2008, and grow by 10 times a decade. The study asserts that the new premium will not solve Ontario's mounting health care funding troubles because the tax is not properly structured. For it to be effective it should be structured similar to other insurance premiums such as automobile and home insurance. The report explains that since insurance premiums are designed to link the expected use of insurance benefits to the future costs of providing those benefits, to some extent it creates a financial incentive to users to avoid making any claims unless it is essential to do so.

The study argues that since taxpayers are only charged premiums and taxes to cover health costs, as opposed to a user fee, there will continue to be a greater demand for services and a subsequent rise in costs. There is no incentive for users not to overuse the system which will affect the long-term sustainability of health care financing.

Brett Skinner, the report's author, suggests that if the new premium is to make any contribution to the sustainability of public health care financing then it should be restructured. The report goes into greater detail about some more acceptable reforms and also discusses the role that the private sector could play in the province's health care system.

The OCC Health Policy Committee next meets in early July and will discuss this issue in greater detail.

Advocacy Plan

The OCC is currently updating its 2004-'05 Advocacy Plan and will post it on the OCC website next week. The Plan includes our member resolutions approved at the May AGM & Convention as well as other advocacy activities of the OCC. The Plan includes a description of each of the resolutions, the current OCC and government status, and the next steps.

OCC Requests Your Feedback for the Ontario Economic Summit

The inaugural Ontario Economic Summit (OES) will be held 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 include 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 a survey, which can be found at the Summit website. Please follow the link found below the Summit Survey heading on the left hand

side of the web page. Your response and feedback is critical to the success of the OES and in shaping its agenda.

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 the agenda for the Summit.

The results of the survey are 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 taking the time to help us ensure that the OES is a success.

Economic Opportunity Tours Gear Up for Fall

The OCC is pleased to announce the next in our series of Ontario Economic Opportunities Tours. The Chamber invites you to **Cleveland, Ohio** from **September 8-9, 2004**. The theme of the trip is urban infrastructure and economic development, and will include a reception with local business leaders at the Rock and Roll Hall of Fame and Museum, as well as a luncheon featuring keynote speaker **Steve Forbes**, Editor-in-Chief of Forbes Magazine.

The complete agenda is currently being finalized, and further information will be available soon. In the meantime, for more information, please contact the tour coordinator, Ryan Clarke at ryan@advocacysolutions.ca.

Don't Forget to Submit Nominations for the 22nd Annual OBAA Gala

The 22nd annual Outstanding Business Achievement Awards (OBAA) is quickly approaching. This year's OBAA gala dinner will take place on **November 10, 2004** at the Metro Toronto Convention Centre. In order to continue to publicly recognize the excellent businesses and entrepreneurial spirit in Ontario, local chambers of commerce and boards of trade are requested to send in their nominations by **August 31, 2004**.

Four OBAA awards will be presented to those businesses whose achievements in sales, innovation, entrepreneurship, and overall business excellence and acumen, will be recognized at the gala dinner.

The Community Export Development Award recognizes a community – as represented by a chamber of commerce, board of trade, or business development organization – that has successfully created an environment which fosters business and export development.

The Bell Innovation Technology Award recognizes Ontario businesses that have demonstrated excellence in innovation, adaptability, and the successful application of new technology to the development & growth of their products and/or services.

Additionally, the OCC is very excited to present two **new awards** at this year's OBAA. The **Skills Development Award** will recognize business excellence in the area of skills development and training, and the **Corporate Governance Award** will honour an Ontario business that has demonstrated an outstanding commitment in the area of corporate governance.

To view the complete nominations guideline please visit our website at <http://occ.on.ca/2obaa.asp>. For information about the nominations process or about reservations for the OBAA Awards Dinner Presentation, please contact Colleen MacIntyre via email at colleenmacintyre@occ.on.ca or by telephone at (416) 482-5222, extension 222.

Proxies Needed for Convention

The Canadian Chamber of Commerce's (CCC) annual convention is quickly approaching. This year's event is in Calgary, Alberta, from September 18-20, 2004.

To ensure an adequate Ontario representation at the caucus meeting we encourage all those Ontario chambers and boards who are members of the CCC, but are unable to attend the convention, to tender their proxy to the Ontario Chamber of Commerce. If you have not received the proxy form sent in the email, please email Rachel Kagan. For those that have received their form, **please** send the completed form to Rachel via fax at (416) 482-5879.

Thank you to all those chambers and boards who have already taken the time to fax back their completed forms.

Upcoming Events

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

- Civic Holiday – OCC Offices Closed, August 2
- OCC Education Committee Meeting, August 5
- OCC Health Policy Committee Meeting, August 10
- OCC Energy Task Force Meeting, August 11
- Team Ontario Conference Call, August 12
- Ontario Economic Summit (OES), Niagara-on-the-Lake, October 6-7
- Outstanding Business Achievement Awards (OBAA) Gala Dinner, November 10