

OCC Supports Ontario's Proposal for a Single Securities Regulator

On August 24, 2004, the OCC presented its written submission to the Standing Committee on Finance and Economic Affairs for its consultations regarding the Ontario Securities Act. The OCC focused its submission on Ontario's proposal for a Single Securities Regulator. Earlier in the summer, the Honourable Gerry Phillips, Ontario's minister responsible for securities regulation, released *Modernizing Securities Regulation in Canada*, a discussion paper outlining the government's plan for reforming the nation's securities regulation.

The submission outlines the OCC's support for the government's proposal and argues that the cost and complexity of the current system is too high, and represents a competitive disadvantage for the province and the country. Currently there are 13 different sets of securities rules being administered by the 10 provinces and the three territories. This places us at a disadvantage when comparing our system to others such as the US and EU who have harmonized their own systems in order to better compete globally.

This is not just a provincial or national issue, it is one of greater global concern. Canada is the only G-7 country that does not regulate its capital markets through a single regulator. Simply put, a national securities regulator will foster prosperity and improve the investment climate in the province and country. If we wish to remain competitive as a nation, then we must establish a single securities regulator for Canada.

A single fee system would be a benefit to reporting issuers in all jurisdictions as they would not have to incur additional costs (e.g., listing fees in each jurisdiction where they would issue) and the administrative burden would also decrease. Since Canada's stock exchanges have recently restructured, this is a logical next step for the country to pursue and the OCC believes that Ontario should continue taking a leadership role in spearheading this important initiative.

At the 2003 Annual General Meeting and Convention OCC delegates unanimously adopted a resolution calling on the Government of Ontario to work with the governments of other Canadian provinces, territories and Canada towards the creation of a national securities regulation system that would harmonize securities regulatory requirements across Canada while accommodating regional issues within a national context.

The complete submission can be found on the OCC website at www.occ.on.ca.

OCC Presents Submission to Standing Committee on Reforming Ontario's Energy Sector

On August 26, 2004, the Ontario Chamber of Commerce presented a written submission to the Standing Committee on Social Policy on the government's proposed legislation, Bill 100: Electricity Restructuring Act, 2004.

The OCC's submission raised some concerns on specific areas of the draft legislation. First, the OCC is a strong proponent of ensuring that Ontario remains one of the most competitive jurisdictions in North America, and a reliable electricity system is a critical element to maintaining that competitiveness. Missing from the legislation was the objective of "competition," so the OCC has strongly recommended that the government reconsider returning this component to the Act.

Next, the OCC addressed specific concerns related to the role of Ontario Power Generation (OPG) in the marketplace. To avoid discouraging investment into Ontario's energy sector the OCC has recommended that the government immediately clarify the role of OPG.

Thirdly, the OCC asked for clarity surrounding the newly proposed agencies being proposed in the legislation: the Ontario Power Authority (OPA) and its subset the Conservation Bureau. The legislation is not clear on who will be financing the Authority. The OCC believes that if there is any uncertainty surrounding this issue it may impede private sector investment. To mitigate this possible effect, the Chamber has recommended that the government clearly state who will be financing the authority and furthermore, that transparency and accountability be critical elements of it.

The OCC is pleased that the government has included conservation as part of the government's energy strategy. However, there is some concern surrounding the difference between using less power – which would create a true culture of conservation – and that of only shifting power use to off peak hours, which we believe is only the first step to changing consumption patterns.

In regards to energy supply, like the government's own Electricity Conservation and Supply Task Force, the OCC favours a balanced approach to filling the province's gap in supply. We are questioning the government's proposal to shut down coal plants in Ontario by 2007 and believe that it should reconsider this target. Simply put, coal represents an economic and abundant source of energy supply. Natural gas, nuclear, solar, wind, water and other sources of energy all have various strengths and weaknesses, yet all need to be included in the energy mix to help maintain a healthy balance of supply options for all consumers.

The complete submission can be found on the OCC website at www.occ.on.ca.

The Committee has been conducting hearings with interested stakeholder on the Bill throughout Ontario since the beginning of August. The consultation period is now over and the Committee will continue to review the submissions and consider making amendments to Bill 100. The Bill, as well as the Official Report of the Debates (Hansard), can be found at the Ontario Legislative Assembly website at www.ontla.on.ca.

On August 18, 2004, the Ministry of Energy released the first set of consultation materials related to regulations which are proposed to be made under Bill 100, should it be adopted by the Legislature. The consultation materials are available on the Ministry's website for early consultations. The materials include documents regarding Procurement Processes, Integrated Power System Plans and Generators and Facilities to be prescribed for price regulation. These documents are available as a PDF on the ministry's website at

<http://www.energy.gov.on.ca/index.cfm?fuseaction=electricity.regulations>. More material for consultation on the regulations will continue to be posted in the next few weeks. For additional information you may contact Angie Robson in the Minister's Office at (416) 327-6747.

Ohio Economic Opportunity Tours Quickly Approaching – Register Today!

This is a reminder that the OCC will be holding an Economic Opportunity Tour in Cleveland, Ohio on September 8 and 9, 2004 and is inviting all corporate members to attend. The focus will be on urban infrastructure and economic development.

Ontario has shared a strong economic partnership for many years with Ohio. In fact, from 1998 to 2002, the two jurisdictions traded almost \$150 billion CDN in goods. In an effort to build on the previous business successes we have enjoyed with Ohio, the Ontario Chamber of Commerce (in cooperation with the Government of Ontario) is planning the next tour in Cleveland. It is the OCC's hope that this tour will renew friendships, strengthen existing ties and initiate a dialogue aimed at fostering the ability of our regions to prosper into the future. We are hoping that you can help us make this tour a great success in demonstrating that Ontario is open for business. The theme for the tour is urban infrastructure and economic development and will consist of two days and one night.

The OCC is also working on other tours to take place over the coming months. These include Rochester, Indianapolis and Washington, D.C. Information on these tours will be communicated shortly.

If you are interested in attending the Cleveland tour, or require further information on how to register, please contact either Stuart Johnston, Ontario Chamber of Commerce, (416) 482-5222 ext. 232 or by e-mail at stuartjohnston@occ.on.ca or Ryan Clarke, Advocacy Solutions, (905) 403-0311 or by e-mail at ryan@advocacysolutions.ca, as soon as possible.

Thank you for support and we look forward to seeing you in Cleveland.

Only a Few Days Left to Submit Your OBAA Nominations...

Thank you to all the chambers of commerce and boards of trade in Ontario who have submitted their nominations for this year's Outstanding Business Achievement Awards (OBAA). If you still wish to nominate a business for overall excellence (OBAA Award), or for recognition in export development (Community Export Development Award), or for excellence in innovation (Bell Innovation Technology Award), or for excellence in corporate responsibility and accountability (Corporate Governance Award), or for distinction in apprenticeship (Skills Development Award) then you still have time to do so. Simply review the nominations guidelines which can be found on the OBAA section of our website at <http://occ.on.ca/2obaa.asp> and send your submissions to the OCC by **Tuesday, August 31, 2004**.

This year's dinner should be the best ever. It will take place on **November 10, 2004** at the Metro Toronto Convention Centre in Toronto. For information about the nominations process or about

reservations for the OBAA Awards Dinner, please contact Colleen MacIntyre via email at colleenmacintyre@occ.on.ca or by telephone at (416) 482-5222, extension 222.

OSSTF Releases Report Card on McGuinty's Education Policy

Today the Ontario Secondary School Teachers Federation (OSSTF) released its interim report card on the Ontario Government's education policy, on the first year of a four year mandate. The report card "graded" three general areas including student funding, respect for education workers, and peace and stability. Within each area the OSSTF looked at specific government initiatives and provided a grade of either "incomplete", "fail" or "pass." In total, the government was evaluated on 14 'subjects' and received two failing grades, seven incompletes and only five passes.

The government received a passing grade for keeping its promise for private school tax credits. Legislation in December 2003 retroactively removed the tax credit for the 2003 year. It received an incomplete for the government's student success initiatives. The OSSTF recognized some of the efforts in this area but for the most part, felt that a lack of funding and resources still act as the main deterrent. It also noted that focus has been primarily on elementary with little attention paid to secondary school programs. The government receives a failing grade, according to the OSSTF, for ignoring the education deficit which was identified in the Rozanski Report. Dr. Mordechai Rozanski led the Education Equality Task Force and released a report in December 2002 which provided 33 recommendations on Ontario's student focused funding formula for public education. The OSSTF believes that the benchmark that the funding formula is based on needs to be updated and adjusted to reflect inflation since 1998.

To view the entire report card, and the OSSTF's recommendations for improvement, visit the OSSTF website at www.osstf.on.ca/www\abosstfsummerworksp04index.html.

Update on the 2004 Federal Pre-Budget Consultations

The Standing Committee on Finance announced on August 19 that the 2004 Federal Pre-Budget Consultations have been postponed. Given that Parliament will resume on Monday, October 4, instead of September 20, 2004, the schedule for public hearings will be revised. The Committee will not travel in October and it will be up to the new committee to decide on the new consultation dates when the House returns. The September 9 deadline for submitting briefs has been withdrawn though they continue to encourage interested stakeholders to prepare written briefs.

The OCC will still be surveying its members of federal issues which have an impact on the province to use in its submission, but in keeping with the postponement, the OCC's survey will now be launched in early September.

Update on Phase II: Stewards and Stakeholders Consultations

Stewardship Ontario has revised the agenda the Phase II Stewards and Stakeholder consultations set to take place on Tuesday, August 31. The meeting will include an update on stewards' registration, as well as discussions on market development and governance and the presentation on Stewards' Preliminary 2005 Fees. Representatives of the Stewardship Ontario Board of Directors will attend. To view the agenda or for more information please visit <http://www.stewardshipontario.ca/index.asp>.

In preparation for the presentation on fees, Stewardship Ontario has posted the notification from Waste Diversion Ontario on the Net Ontario Residential Blue Box System Cost for 2003, which was used as the basis for setting the preliminary 2005 fees. Background information pertaining to market development, governance and preliminary 2005 fees will be posted for review Friday afternoon, August 27th.

Questions about the consultation, or to register, can be directed to Barbara McConnell, communications, Stewardship Ontario, bmccconnell@stewardshipontario.ca or telephone (647) 777-3362.

Upcoming Events

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

- OCC Education Committee Meeting, August 31
- OBAA Nominations Deadline, August 31
- OCC Transportation and Infrastructure Committee, September 1
- Labour Day, OCC Offices Closed, September 6
- Governing Council Policy Resolutions Submission Deadline, September 8
- OCC Health Policy Meeting, September 14
- Canadian Chamber of Commerce AGM, Calgary, September 18-20
- Ontario Business Advisory Council (OBAC) with Minister Cordiano, September 22
- Ontario Economic Summit (OES), Niagara-on-the-Lake, October 6-7
- Outstanding Business Achievement Awards (OBAA) Gala Dinner, November 10
- Governing Council, November 19