

Band Aid Solutions to Beleaguered Property Tax System Not Enough

On Monday, March 15, 2004 the Ontario government announced plans to give municipalities the tools they want to alleviate their residential property tax burden and manage the impact of reassessment on residential taxpayers.

The regulations would allow municipalities to modify the levy restriction and apply a municipal tax rate increase on the business and multi-residential classes that is no more than half that on residential; e.g., a municipality seeking a 2% increase in residential taxes could raise business taxes by 1%.

The Ontario Chamber of Commerce was one of the first organizations to respond to this announcement. The OCC believes that this is another band aid solution on top of an already flawed property tax system. Providing certainty and fairness in Ontario's property tax system is paramount to business competitiveness and the recent

announcement removes a level of certainty. The OCC has communicated extensively with the Ontario government on needed reforms to the current property tax systems, including advocating for a property tax review panel to address the systemic problems and inequities in the system. Solid analysis is required to assess the financial impact of any property tax reform. The OCC is meeting with the Minister of Finance on March 23 to discuss property tax reforms.

The OCC's news release, which can be found at www.occ.on.ca, was used by the Canadian Press and CFRB; in addition, interviews were held with CBC Television, CTV, The Toronto Star, 680 Radio, Global Television, The Toronto Sun, and Dale Goldhawk Live TV.

Thank you to the many chambers and boards who took the time to provide the OCC with their input on the local impacts of the property tax reforms.

April's QPLF on Energy Issues Timely as OPG Committee Release Report

The next Queen's Park Liaison Forum (QPLF) will take place on Friday, April 16, 2004, on energy issues. The speakers include, **Shane Pospisil**, Assistant Deputy Minister of the Office of Energy Supply and Conservation, who will provide an update on Ontario energy issues; **David Sword**, co-chair of the OCC Energy Task Force, and **Paul Massara**, President of the Canadian Operations of Direct Energy, will give presentations from the private sector perspective.

If you are interested in attending this session, or would like more information on QPLF, please contact Scott McCammon at scottmccammon@occ.on.ca. Chambers of commerce and boards of trade are encouraged to attend.

This session comes on the heels of a very exciting time in the world of energy. On Thursday, March 18, the OPG Review

Committee, chaired by former Deputy Primer Minister John Manley, released its report entitled "Transforming Ontario's Power Generation Company", which can be found at www.opgreview.org as a downloadable PDF – you may wish to download the "Recommendations" portion as there is no executive summary.

The report calls for a renewed Ontario Power Generation to be an integral part of the solution to address critical supply needs. Mr. Manley believes that unless energy supply needs are met, the province will face an electricity shortage by 2007.

Furthermore, the Ontario Legislature resumed today at 1:30pm and is scheduled to sit until June 24. Energy Minister Dwight Duncan's legislation on electricity pricing, Bill 4, will begin to take effect April 1, 2004.

OCC Advocacy Plan Update Released

The 2004 update to the OCC's Advocacy Plan is available as a downloadable PDF at www.occ.on.ca under "publications".

The organization of the plan has been modified to make it more informative. Some of the changes include an "updated field" in the footer section. The plan is a living document and will be amended on a continual basis to reflect the OCC's ongoing efforts as well as government actions.

Column one of the resolutions table remains as "Resolution" or "Action" while column two has been renamed from "Action Plan" to a more comprehensive title, "Current Status", which includes both the OCC status of a resolution as well as an update of the government status. The last column has been changed from "Status" to "Next Steps", clearly identifying the necessary actions required for that particular resolution. This added detail should provide more information to users of the Advocacy Plan.

The next major update will take place following the 2004 AGM. Please note that the deadline for accepting policy resolutions has been **extended** to the end of the week to accommodate a number of chambers and boards – once the majority of resolutions has been collected they will be posted online.

FYI...

- **Fraser Institute** releases report entitled "2028 or Bust: Ontario's Unsustainable Hospital Funding" available at <http://www.fraserinstitute.ca/share/d/readmore.asp?Nav=pb&id=645>.
- **Ontario Legislature** – first session of the 38th Parliament resumed today at 1:30pm.
- **Federal Budget** will be tabled by Minister of Finance Ralph Goodale on Tuesday, March 23 at 4:00pm – get '04 budget info at <http://www.fin.gc.ca/budtoce/2004/budliste.htm>.