

Creating Local Public Accountability in the Police Services Act

Issue:

Unlike their responsibilities over all other departments, small and medium size municipalities have very little real influence over their local police budgets to manage costs, minimize duplication of administrative resources, or assure taxpayers full value for the local tax dollars spent.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Amend the Police Services Act to give municipal councils more direct control over the budgeting of the civilian complement and administrative support of local police services, with the view of eliminating duplication.
2. Amend the Police Services Act to make the Police Service Boards directly accountable to the host municipality and to eliminate appeals to the Ontario Civilian Commission, as they relate to the budgeting of the civilian complement and administrative support of local Police Services.

Electricity Pricing, Supply and Market Development

Issue:

Electricity pricing, supply and market development are key to maintaining the economic competitiveness of Ontario businesses.

Recommendations:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Work towards establishing a competitive market for electricity in the long term.
2. Ensure that its policy choices result in affordable electricity to help keep Ontario business competitive;
3. Promote a diverse supply mix as a way of ensuring that Ontario's electricity prices remain affordable.
4. Ensure an adequate supply of electricity in Ontario to meet the needs of Ontario businesses.
5. Ensure a reliable electricity supply for Ontario businesses.
6. Ensure that the price of electricity reflects the true costs.
7. Ensure a significant role for the private sector in Ontario's electricity system.
8. Promote stability in the electricity system, since business needs a stable policy and regulatory environment for investment, especially in the electricity sector where many investments have high capital costs and long lead times.

9. Promote environmental sustainability by ensuring that all economic energy efficiency and conservation investments are made.

Security of Electricity Supply

Issue:

The cost, availability and security of electricity are matters of growing concern to businesses and citizens.

Recommendations:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Implement the 20-year supply mix plan as quickly as possible.
2. Proceed with its plan to replace coal-fired generation with cleaner forms of peak generation, such as natural gas fired turbines, with a carefully-planned approach that does not prejudice security of supply.
3. Support distributed generation that involves locating generation capacity closer to electricity load centers.
4. To promote a long-term strategy for HydroOne, together with responsible, transparent management at OPG.
5. Reduce the politics and bureaucracy around electrical generation and transmission that delay decision-making and discourage innovation.
6. Conduct open and honest public education and consultation about the realities of electricity supply in Ontario, the current and future challenges faced by the Province, alternate solutions, the true feasibility and cost-benefits of those alternate solutions; and promote responsibilities such as conservation, efficient forms of lighting, equalized billing and so on.
7. Encourage private investment and competition in the energy sector by stabilizing the energy market and providing appropriate incentives to investors, including entering into arrangements with private parties to ensure that OPG assets are put to their best and highest use.
8. Take a strong leadership role and not allow "NIMBYism" to delay or stop projects that are important for the future of Ontario.
9. Support municipalities in the development of cogeneration projects (i.e., the simultaneous generation of electric power and recovery waste heat) to displace purchased fuel wherever cogeneration generators can be located proximate to industrial/commercial thermal loads.
10. Continue to search for and support demand management solutions, including the time shifting in time of day rates.

The Need for More Nuclear Energy in Ontario

Issue:

The Whitby Chamber of Commerce supports the use of new and refurbished nuclear capacity to support and augment our provincial power generation capability. We endorse the concept that new nuclear be Canadian, which is the lowest lifetime cost option, and is reliable and safe.

Ontario needs to reduce its dependence on imported carbon-based fuels, and it needs cleaner air. With nuclear energy, we get both.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Provide planning certainty and regulatory certainty for this industry.
2. Remove its 14,000 MW / 40% cap on nuclear energy 's share of the generation mix in the Ontario Power Authority's planning process, and look to expanding the nuclear role in Ontario's energy sector.
3. Support the refurbishment of existing nuclear plant where practical, and the construction of new nuclear plant capacity for domestic use, as a high priority.

Energy from Waste

Issue:

Ontario is missing out on the untapped value of Energy from Waste (EFW) technologies, which use residential and commercial waste to generate electricity and reduce the amount of waste being sent to landfill sites. Only three per cent of Canada's solid waste is processed to generate electricity, compared to thirteen per cent in the US. It is time now for Ontario communities to seriously consider a solution.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Educate the public on the importance of 5-Rs: (1) Reduce (waste, packaging etc); (2) Reuse (beer bottles, etc.); (3) Recycle (new product from waste ie: sewer pipe from used car dashboards etc); (4) Recover (energy, oil); and (5) Retain (landfill issues).
2. Review the experience in other jurisdictions and, considering the environmental and economic efficiency, estimate what of the available Energy from Waste technologies (combustion with energy recovery, advanced thermal technologies, gasification, pyrolysis, anaerobic digestion, pelletization, etc) have the highest rate of return for Ontario.

3. Pursue increasing the share of the Energy from Waste generation in the supply mix and coordinate any new EFW with waste management planning in the province.
4. Assess the costs of erecting EFW facilities along with estimating the benefits for Ontario by considering the environmental effects, avoided waste disposal, land filling/development costs and promotion of alternative energy generation.
5. Commit to create a stable regulatory environment, an electricity market guided by prices reflecting true costs of power and pursue consistent EFW policies.

Educate Ontarians of the importance and safety of such technology in their communities.

Waste to Energy (WTE) An Electric Solution to Waste Management

Issue:

Land-filling biodegradable municipal waste is not a sustainable solution to waste management. As part of an integrated waste management system, Waste to Energy (WTE) is a viable alternative to landfills. Demand for electricity, especially environmentally responsible energy, will continue to grow.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

By the end of fiscal 2011-2012 should:

1. Make integrated waste management, and in particular WTE, a priority initiative.
2. Develop a program of municipal grants or incentives to encourage and stimulate municipalities to develop WTE facilities, where appropriate and strategically feasible at existing landfill sites.
3. Enlist the participation of the private sector in the development, construction and financing of WTE facilities.

Diversifying Fossil Fuel Supply Mix in Ontario

Issue:

The high volatility of conventional fossil fuel prices is driving up the cost of doing business in Ontario. Not any different from industrialized economies across the world, Ontario's economy, including public transportation, business and industry depends heavily on conventional fuels, and more than any - on petroleum derivatives. Arguably, the cost of crude oil, coal and gas is imbedded in the price of every good and service in the province.

Our policy makers can do more to create an environment that promotes diversification of fuel supply, fosters conservation and fuel demand management policies. Tax

incentives coupled with R&D investment in energy efficient technologies, and the availability of competitive alternative transportation fuels in our daily lives could make a difference for Ontario's economy.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the government of Ontario to:

1. Develop a long term plan to diversity fuel supply mix, promote fuel conservation and energy efficient technologies and foster consumer demand management for fuels.
2. Undertake analysis of the environmental, economic and social impact in order to decide whether it is advisable to increase the proportion of biofuels in relation to conventional fuels.
3. Promote and invest in research and development oriented towards vehicles using alternative fuels (ex: hydrogen cells, electrical cars, biodiesel, biogas, bioethanol, biomethanol, pure vegetable oil etc)
4. Develop effective demand management policies for high density urban centres by encouraging commuters to use oil efficient mass transportation systems – busses, trains, car pooling; considering developing “low hydrocarbon diet” standards, and versatile, oil efficient engines for public transportation systems, etc.
5. Educate the public on:
 - what is at stake and why these types of investments are needed;
 - the advantages and importance of fuel diversification within their own communities and businesses, and
 - advantages for the environment and sustainable economy.
6. Secure a more predictable and less single fuel source (crude oil) dependant economy/society.
7. Undertake steps to increase the refining capacity in the province
8. That the provincial government coordinates with the federal government to immediately establish incentives to secure a diverse and adequate supply of fuel, capable to stimulate the domestic economy.

Ontario's Long-Term "Tax Package" Strategy

Issue:

Many studies, by independent think tanks and industrial associations, have shown that the tax burden is unduly heavy in Ontario, providing challenges for the business community. The tax structure in Ontario is not as competitive as it needs to be as it relies on taxing investment and production rather than consumption. This inhibits business investments and expansion, human capital development, productivity and economic growth.

The tax mix should be rebalanced to shift the burden away from production related activities, capital stock and investment; and to stimulate productivity and prosperity. Further streamlining of tax regulations is needed to enhance Ontario's fiscal competitiveness, eliminate instances of double taxation, and minimize any distortion to production activities and investment choices.

Recommendations:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Increase the **Capital Cost Allowance** for all classes of assets and provide accelerated write offs on investments in qualifying new capital. As a first step we urge the government to endorse and implement a Capital Cost Allowance rate of 50% in the first year for investments in qualifying assets.
2. Extend the manufacturers' exemption from Retail **Sales Tax** on inputs to other sectors. In the long term, the government has to exempt all capital purchases and investments in technology from sales tax.
3. Reduce **Personal Income Taxes on Interest, Dividends and Capital Gains** with a view to broaden the pool of funds available to businesses by stimulating individuals to save and invest/reinvest in stocks, bonds and other investments.
4. Expedite Phasing-out the Corporate Capital Tax and commit to eliminate it completely by 2008 versus the announced 2012.
5. Lobby the federal government to eliminate corporate taxes on financial institutions. With one bold stroke, reduce cost of compliance, harmonize with the Federal system, and send a positive message to a beleaguered manufacturing sector in Ontario.
6. Set up a task force that by 2008 will review the various models for harmonization of sales taxes, and that it proposes, in consultation with broad business community, an optimal harmonized sales tax system that will benefit Ontario".

Ontario's Debt Targets Off the Mark

Issue:

Established targets for debt reduction and debt servicing by the Ontario government are not being met and are in jeopardy of worsening.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Commit to running balanced or surplus budgets beginning in 2007/08;
2. Commit to reducing Ontario's Net Debt/GDP ratio from 26.2% to 13% by 2013;

3. Reduce Ontario's debt service relative to revenues from 10.8% to less than 9% by the end of the decade.

Sound Fiscal Framework

Issue:

A healthy and strong economy requires substantial public investments in infrastructure, health care, and education. Achieving a balance between spending and revenue priorities capable of guaranteeing an appropriate level and quality of public services without harming economic prosperity is paramount for sound fiscal policy.

Further efficiency could be achieved by streamlining public administration and program design, pursuing a prudent fiscal policy and aiming to eliminate fiscal deficits, while keeping the Debt-to-GDP ratio at a reasonable level capable of securing new long-term infrastructure funding.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Review the federal Transfer Payment Programs five-year cycle reviews (relevance and effectiveness) introduced through the Federal Accountability Act and commit to undertaking cyclical program evaluation reviews for public programs and services with a view to eliminate inefficient spending.
2. Streamline public administration, eliminate government overlap and bureaucracy.
3. Pursue the targets highlighted in the medium term fiscal on balancing the budget and reducing the net Debt/GDP ratio to 19% by the Fiscal Year 2008-2009.
4. Develop a "reasonable" Debt/GDP ratio that will fairly balance prudent spending and capital investment funding priorities.

Business Issues to Consider in a New Municipal Act

Issue:

Following provincial downloading of social services and infrastructure costs, municipal governments in Ontario are unable to concurrently balance their budgets and maintain service levels and capital costs of infrastructure. To fulfill their increasing service responsibilities, municipal governments are seeking new revenue sources.

Recent provincial legislation has provided municipalities' access to new regulatory and financing tools which include business licensing authority and greater flexibility to levy area rates.

Businesses already contribute more to the property tax base than residential properties of the same value and our members are also subject to fees and charges that contribute to municipal revenues. Faced with increasing fiscal responsibilities, it is anticipated that new powers granted under the Act to amend various Acts in relation to municipalities (formerly Bill 130), will further increase tax burden of Ontario's businesses.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Negotiate solutions to the fiscal imbalances among the federal, provincial and municipal governments.
2. Expedite the Provincial-Municipal Fiscal and Service Delivery Review, immediately identifying appropriate funding for municipalities and enact any related legislation to occur in the next 12 months.
3. Align any proposed changes under findings of the Fiscal and Service Delivery Review to a broader property tax system reform.
4. Provide more detail surrounding the appeals process for municipal by-laws (i.e. ensure that in the event a regulation is created to reverse a by-law, a mechanism is in place to ensure reimbursement of any licensing fees paid).
5. Encourage municipalities to adhere to new standards requiring full accrual accounting created and approved by PSAB, prior to the January 1, 2009 deadline.
6. Continue to engage business representatives to determine the impact on business and the economy, of various contemplated legislative changes to the Municipal Act.

Municipal Funding Gap for the Provision of Social Services

Issue:

Ontario municipalities are facing budgetary crises that put the future of the Province's cities at risk. The downloading by the Provincial government of the responsibility for providing a variety of provincially-mandated services places an unfair burden on the municipal property tax system and hinders the abilities of municipalities to meet their other responsibilities.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Move towards fully funding income transfer programs, such as social assistance, social housing, ambulances and child care subsidies, from provincial revenues starting in 2008/2009 and further, that in the interim, the Province of Ontario

- honour the cost-sharing arrangements that currently exist with Ontario municipalities.
2. Enter into negotiations with the federal government in conjunction with representation from Ontario's municipal governments to reform the current funding agreements to allow for the equitable redistribution of tax revenues to ensure urban infrastructure renewal and expansion.

Changing the Way Business Regulations are Developed

Issue:

New regulations invoked by the Ontario Government that effect many sectors of business are perceived by business owners as unduly heavy in Ontario and place many businesses in jeopardy of survival. Presently many regulations imposed by the Ontario Government are "precautionary" focused as opposed to science based. The "precautionary principle" allows for implementation of regulation on the basis that a situation "may be" present or "may be" harmful, without any true science to back up the fear. This approach places an unnecessary financial and fiscal burden on society to address problems that may not even exist.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

- Ensure proper, thorough, and careful consultation is invited by the persons/businesses who will be ultimately affected by the regulation.
- Focus its efforts to reduce regulatory burdens on all business and ensure all regulations imposed are science based.
- Review proposed regulations on a cost/benefit basis (identify the actual cost of implementing, enforcing and maintaining the regulation and then ensure those costs do not outweigh the benefit garnered from the regulation)
- Before enacting regulation, identify who will bear the burden of cost for the regulation and the means by which that cost can be recouped from the marketplace.
- Ensure that enactment of regulation does not place such financial burden on any one sector that the economics of the country are not adversely affected.

Rebating Provincial Sales Tax to Municipalities

Issue:

In the course of delivering services, municipalities purchase taxable goods. As municipalities have limited revenue sources, the money to pay for these taxable goods

comes from property taxes. In effect, provincial property tax on municipal purchases is a transfer from municipal property owners to provincial revenues.

RECOMMENDATION:

The Ontario Chamber of Commerce urges the Government of Ontario to:

Rebate to municipalities the sales tax they pay to the provincial government.

Need to Reform Arbitration Act to Control Increased Municipal Compensation Costs

Issue:

Municipalities in Ontario have been experiencing a considerable increase in compensation costs due to an extraordinary rise in the total compensation awarded by Arbitrators to Police and Fire Services throughout the Province of Ontario.

RECOMMENDATION:

That the Ontario Chamber of Commerce urges the Province of Ontario to:

Review the powers accorded to and criteria governing Provincial Arbitrators serving as Chairs of Interest Arbitration Boards under the following Provincial Acts:

- Arbitration Act;
- Police Services Act;
- Fire Protection and Prevention Act; and
- Ontario Labour Relations Act.

Provincial Sales Tax Reform

Issue:

As a first step towards full harmonization with the GST, Ontario should convert its current provincial sales tax (PST) to an Ontario value-added tax (VAT). The current PST imposes a number of distortions on the economy including variable tax burdens on consumer goods and substantial taxes on business inputs and capital goods. An Ontario VAT is a far better approach to levying a consumption tax and, unlike the PST, could become a more significant source of revenue for the government over time.

RECOMMENDATION:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Replace the PST with an Ontario VAT beginning in 2011-12; and

2. Gradually modify the Ontario VAT over time to become fully harmonized with the federal GST.

Reducing Sales Tax Red Tape for Ontario Businesses

Issue:

Ontario businesses have an assortment of provincial sales tax rates to apply in the course of their business. Often, businesses face stiff restitution demands of tax auditors from the confusion and misinterpretation of the many rates.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Complete a review of its retail sales tax statutes and simplify and clarify the tax rules and rates.
2. Commence discussions with the Government of Canada to cross train sales tax auditors and eliminate the duplicate interruptions in the productivity of running small businesses.

Community Council Formations Within a Municipality

Issue:

A portion of Bill 130, recently adopted into Law January 1, 2007 permits the formation of Community Councils within a Municipality of Ontario. Under this Bill (also known as "Municipal Statute Law Amendment Act, 2007"), Municipalities will now be able to impart greater powers of decision to form Community Councils.

Community councils allow businesses to provide input on issues that directly affect their neighbourhoods and provide a forum for local input into City Council decision-making.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario:

1. Support initiatives by local municipalities to establish Community Councils using the referenced suggestions outlined in the following guidelines:
 - a) Empower CCCC's to recommend to the City Council whether implementing the Community Council concept is feasible and desirable;
 - b) Use co-chairs for the coordinating committee, an honorary chair and a working chair;
 - c) Ensure that CCCC's have representation from all wards as well as the City Council;

- d) Ensure that CCCC members have a broad range of expertise and experience related to the development of community councils and/or other related organizations;
 - e) Empower CCCC's to:
 - Recommend terms of reference;
 - Develop membership guidelines;
 - Implement strategies for Community Councils (and for a permanent CCCC – if it is required); and
 - f) The preparation of a list of the characteristics that Community Council and CCCC members should possess. Other organizations within a municipality may use the name “community councils”; and
 - g) Empower CCCC's to develop a process for identifying “natural communities” and associated community councils for the City Council. “Natural Communities” could infer business, recreation, cultural, geographical, or existing community group that should be represented on a Community Council.
2. Always have representation from local businesses on Community Councils (i.e. through local Chambers of Commerce and Business Improvement Associates)

Developing More Affordable Housing

Issue:

Affordable housing is a major factor in creating attractive, livable, and competitive cities. Along with other infrastructure components, it determines whether businesses locate or expand their operations and influences the willingness of employees and their families to move to or remain in a city.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. With respect to surplus land:
 - Give their agencies in charge of selling surplus land greater flexibility on conditions such as zoning, financing, etc. when dealing with developers planning to build affordable housing units.
2. With respect to brownfield sites:
 - Create financial incentives that would help defray the costs of cleaning up sites for developers of affordable housing.
 - Continue to streamline the approvals process for the development of sites for affordable housing.
 - Take further steps to protect those remediating sites by clarifying and limiting the liability for contamination that has migrated to another property and to develop a procedure to provide indemnities to protect those involved in brownfield redevelopment for affordable housing.
3. With respect to financing: Work with developers and investors to improve the financing tools available to investors seeking to develop affordable housing.

Funding Economic Development

Issue:

Many communities and businesses in Ontario do not have the necessary economic development tools to compete in a global marketplace. The Province of Ontario has the resources needed to put in place a viable regional economic development strategy.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Establish economic indicators that measure community distress – indicators could include high unemployment rate, level of job losses over a short period of time and source of employment from a dominant industry.
2. Provide targeted funding for infrastructure, employment, diversification of the economy, cluster development, and programs that increase job creation in regions experiencing economic distress
3. Expand the tool kit for local Economic Development agencies that allow communities to level the playing field with competing jurisdictions and the global marketplace.
4. Provide incentives to businesses willing to invest in distressed areas conditional on the years of business operation, number of jobs created, tax contribution etc.

Market Value Assessment and Property Tax

Issue:

In 1997 the Ministry of Ontario Finance introduced “Market Value Assessment” with its subsequent excessive increase in taxation ramifications to various classes of properties and businesses in Ontario. This was done without consultation with many types of properties and occupying business that would be affected without researching the impact to these businesses.

An example is within department of the Ontario Finance Ministry offices. They admitted being unaware the classification on Mini-Storage had been settled by an Ontario Supreme Court Decision in 1982 (*Canadian Mini-Warehouse Properties Limited v. R. A. C., Region No. 12*) when the regulations were rewritten in 1997. The Ontario Finance Ministry still has not moved forward on this decision. The manner in which these regulations are currently still written is costing property owners and the Ontario and Federal Governments millions of dollars each year.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. That the Ontario Government adhere to the Supreme Court decision and regard Mini-Storage facilities for what they are, rental units for personal property storage, and establish a fair assessment and subsequent taxation as well as classification of Mini-Storage facilities for assessment purposes and further that the notion that the Business Occupancy Tax (BOT) was eliminated, be revised for all Ontario commercial properties, as the BOT is now unnamed but still very much present.
2. That the Ontario Government Support the Ombudsman recommendations in its report "Getting it Right" and these recommendations be implemented

Incremental Minimum Wage Increases in Ontario

Issue:

The appropriate minimum wage level in Ontario should be determined by an independent minimum wage board or commission review and any recommended increase determined for now and in the future should be implemented incrementally to minimize impact on business and jobs.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Initiate an independent minimum wage review board or commission, comprised of business representatives (representing various sector and sizes) and labour representatives, to determine an appropriate minimum wage level in Ontario. The work of the review board or commission should be public and transparent.
2. Consider mandatory minimum wage reviews by the review board or commission to occur periodically e.g. every year; bi-annually.
3. Should an initial significant increase be recommended by the independent board/commission review (i.e. more than 10% of existing rate), the increase should be phased in incrementally over a period of time to minimize impact on business and jobs.
4. Ensure that any future increases are implemented incrementally (no more than 10%) to minimize impact on business, but preferred to be set at or near the level of inflation.

Untying MPP Salaries from MP Salaries

Issue:

The Ontario Government approval of Bill 173 that has tied MPP salaries to that of MPs is flawed policy, and sets a bad precedent for decision-making that should be made at the provincial level. MPPs are paid by the taxpayers of Ontario, and as such, relegating MPP

salary decision making to the federal government, is an abdication of responsibility and accountability of the Ontario government to Ontarians.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Restore the responsibility of the Ontario Integrity Commissioner to review and make recommendations on an appropriate salary and benefits package to be provided to MPPs.
2. Reviews should be set at a specific interval, ideally every four years, and preceding provincial elections.
3. MPPs compensation packages should be determined for each full term of office, with potential annual increases tied to inflation/COLA/Consumer Price Index, at a projected nominal rate.
4. MPPs salaries and benefits packages should be benchmarked not only against the salaries of MPs, but also against the provincial public service, elected municipal representatives, business and non-profit positions of comparable job responsibilities and demands, and the skill-sets, experience and knowledge required in these roles.

WTO - Sustainable Development and the Environment

Issue:

World Trade Organization's (WTO) rules do not sufficiently protect businesses from punitive taxes under environmental agreements nor do they level the playing field for businesses that incur the costs to reduce polluting emissions. This needs to be addressed given the heightened attention being given to the reduction of greenhouse gas emissions.

To compliment an environmentally friendly international trading system, WTO members should remove import duties on key green goods to open global markets in the key technologies for addressing climate change and improve market access for trade in environmental services.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Demand that the Government of Canada engage WTO member countries to develop trade rules that protect manufacturers who are being disadvantaged by expenditures in greenhouse gas reduction technologies and to remove the possibility of applying an environmental tax on an entire country's exports. It is

recommended that the rules should be modelled after the countervailing duty measures for subsidized goods.

2. To compliment the above, the Ontario Government insists that the Government of Canada support the EU Trade Commissioner's recommendation for a WTO zero tariff agreement on key green goods and also recommend improving market access for trade in environmental services.