



Policy Issues Affecting Canadian Business: June 2010

Later this month, the eyes of the world will be on Canada as we host the G-8 and G-20 Leaders Summits. What are the implications for Canada and for Canadian business?

For Canada, these summits present an opportunity to continue to demonstrate our leadership. The global recession took its toll on Canadian businesses and families. Our country, however, weathered the storm much better than most and is looked to as an example for other countries to emulate. In the midst of global financial turbulence, our banking sector was recognized as the world's soundest. We are also emerging from the recession in a relatively strong fiscal position.

The Canadian Chamber of Commerce hosted this year's G-8/20 Business Summit in April, which set the business component of the agenda of the G-8 and G-20 Leaders Summits. In their [Business Declaration](#), released at the Summit and subsequently presented to their countries' leaders, G8 business leaders called on G8 and G20 governments to implement coordinated policies to restore confidence in global markets, further trade and move forward on climate change action. The Business Declaration was presented to Prime Minister Harper after his speech at the Summit.

Business wants to see results from the G-8 and G-20 summits. These meetings will be judged on their ability to lay the groundwork for economic recovery across the global economy and the foundation for sustainable, balanced growth. Doing so will entail finding a way forward on correcting trade, fiscal and structural imbalances, strengthening financial regulatory systems and pressing for an open and rules-based trading regime.

Hon. Perrin Beatty
President and Chief Executive Officer, Canadian Chamber of Commerce

Protecting IP is important for Canadian jobs

Canadian businesses need better protection from the theft and unauthorized use of their property over the internet. The absence of modern copyright rules has undermined the ability of many businesses to earn a fair return on their investments, and for many people to earn a living at all.

Bill C-32: *The Copyright Modernization Act* takes a balanced approach. The *Copyright Act* has not been reformed significantly in the last decade. New rights and protections are required if rights holders are to better reach new markets, adapt their business models and combat infringement in a digital environment.

Many industries, big and small, rely on intellectual property (IP) rights as the basis for their operations in Canada. Updated copyright legislation will bring Canada up to date with all major industrial economies and clarify copyright laws in light of the new internet economy. IP is the economic currency of the future. Properly applied, IP rights drive job creation, economic growth and innovation.

To highlight the importance of IP rights in advance of the G20 meetings in Toronto, the Canadian Intellectual Property Council (CIPC) will host an IP seminar and its Annual General Meeting on June 22 at the Toronto Board of Trade. Hon. James Moore, Minister of Canadian Heritage and Official Languages, will be the keynote speaker and will address Bill C-32. For more information on this event or to register, please contact Aisha Paquette-Dioury at apaquette-dioury@chamber.ca or 613-238-4000 ext. 262.

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A single Canadian securities regulator

On May 26, Hon. James Flaherty, Minister of Finance, announced the government's intention to create a single Canadian securities regulator through the *Canadian Securities Act*. The proposed legislation would harmonize provincial securities legislation within a single federal law under the oversight of a new crown corporation, the Canadian Securities Regulatory Authority (CSRA). Provinces could choose whether or not to opt into the new federal regime. Most provinces support a single securities regulator, however, Quebec and Alberta dispute the federal government's constitutional authority to assume oversight of securities regulation. In recognition of this, Minister Flaherty has referred the *Canadian Securities Act* to the Supreme Court of Canada asking that it rule on whether the proposed legislation is "within the legislative authority of the Parliament of Canada".

The Canadian Chamber's position has been to support a single Canadian regulator. Canada's securities regulation structure, which is currently subject to 13 provincial and territorial regulators, is out of step with the rest of the world. Canada is the only country in the 180-plus member International Organization of Securities Commissions without a national securities regulator. The burden of the regulatory overlap, duplication and fragmentation of today's regime costs Canadian companies time and money. It also hampers Canadian businesses' ability to compete on world markets for capital.

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Canadian Chamber welcomes new anti-spam legislation

The Canadian Chamber of Commerce welcomed the introduction of Bill C-28, *Fighting Internet and Wireless Spam Act* (FISA) on May 25.

Canadian businesses have worked closely with the government on legislation that deals with unwanted spam and other related online threats for some time now. Bill C-28 protects both businesses and consumers.

Making the online environment safer for Canadians and Canadian businesses has been a priority for the Canadian Chamber.

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Ensuring Canadians have sufficient retirement income

The Canadian Chamber believes that Canada's current retirement savings system is sound and that legislators and policy makers need to focus on improvements in gap areas rather than fundamental changes.

In its [submission](#) to the Department of Finance's *Consultations on Ensuring the Ongoing Strength of Canada's Retirement Income System*, the Canadian Chamber outlined opportunities for government to increase workplace retirement savings options and participation, particularly for Canadians who work for small and medium-sized businesses.

The Canadian Chamber's submission also spoke to granting creditor protection for pension plans as proposed in Bill C-501: *An Act to amend the Bankruptcy and Insolvency Act and other Acts (pension protection)*. The policy intent of such initiatives is understood but the unintended, and adverse, consequences for employers, plan sponsors and many Canadians would be significant.

If the government wishes to protect workers with Defined Benefit pensions should their employers go bankrupt, members of the Canadian Chamber of Commerce suggest other approaches be considered, including the Quebec model of permitting the third-party administration of stranded pensions.

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