



Policy Issues Affecting Canadian Business

October 2011

In mid-September, the Canadian Chamber of Commerce held its Annual General Meeting in St. John's Newfoundland & Labrador. The meeting provided a forum for more than 300 chambers of commerce and boards of trade from across Canada to discuss the issues on the minds of the tens of thousands of businesses they represent.

Almost everyone I spoke with said their members are very concerned about the fragility of the global economy and its impact on their businesses large or small. Many are especially perplexed by the protectionist language coming once more from the U.S. as it struggles with its serious economic issues.

While their experiences differ, there was a common sentiment that our economic future hinges on our competitiveness; the efficiency with which we use our human, capital and natural resources to generate wealth. Our members believe Canada is struggling to remain competitive and productive. The World Economic Forum – which has dropped our ranking from tenth to twelfth of the world's most competitive countries - agrees.

Our members are particularly troubled by the toll underinvestment in education, skills and training (by government and businesses); an inefficient tax system; and regulatory red tape and duplication are taking on their competitiveness. Canada's businesses know that it's not just up to government. The private sector is ready to play a greater role in regaining our competitiveness and is prepared to work with governments to do so.

Please accept my best wishes for the fall session of Parliament and my commitment to working with you to make Canada's businesses – and the Canadian families and communities they support – more competitive.

Sincerely,

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

Time for Parliament to act on copyright

The Canadian Chamber of Commerce is pleased that the government has acted quickly to re-introduce copyright legislation (Bill C-11 *An Act to amend the Copyright Act*) in the House of Commons. Many companies, big and small, rely on the protection of intellectual property (IP) rights to maintain their businesses in Canada.

Updated copyright legislation will align Canada with other leading nations and establish guidelines for those who download and file share on the internet. Properly applied, intellectual property rights drive job creation, economic growth and innovation.

Bill C-11 will implement the provisions of the World Intellectual Property Protection Organization (WIPO) Copyright Treaty and the WIPO Performances and Phonograms Treaty. The Canadian Chamber of Commerce endorses the ratification of these treaties, which were signed by Canada more than a decade ago, and supports a made-in-Canada approach.

The passage of Bill C-11 will improve digital IP safeguards. Other measures, including enhanced border protection against counterfeit goods and an updated patent regime, are also needed and the Canadian Chamber will continue to press for these safeguards for businesses and Canadians.

While the Chamber is very encouraged that the government is intent on passing updated copyright legislation during this Parliamentary session, there are certain provisions of Bill C-11 that, as drafted, still present some concerns and possible unintended consequences. We will be seeking technical changes to give full effect to the principles articulated by the government. Improvements are needed in the areas of enabling infringement; encryption research; computer and network security; reverse-engineering of software; user-generated content; online service provider liability ("safe harbours"); private copying and back-ups; and statutory damages.

Contact: Chris Gray, Director of Innovation Policy and the Canadian IP Council, cgray@chamber.ca or 613-238-4000, ext. 251

Keep Pooled Registered Pension Plans (PRPPs) simple

PRPPs must be as simple and straightforward as possible if they are to achieve their objective of ensuring that more Canadians have the opportunity to save for retirement through a mechanism similar to a workplace pension plan. This was the message from the Canadian Chamber of Commerce in its August 2011 [submission](#) to the Department of Finance regarding the Tax Rules for PRPPs.

Employers and employees will find PRPPs more attractive if they are able to take advantage of them with minimal effort and no confusion. To accomplish this, the Canadian Chamber believes that PRPPs should – as much as possible – incorporate rules similar to those of group RRSPs which are widely understood by employers and individuals. Maintaining simplicity in PRPPs will be vital to achieving a low-cost framework, making it much easier for small businesses which do not have dedicated resources to administer pension plans.

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Fighting Internet and Wireless Spam Act regulations need to be detailed

The Canadian Chamber strongly supports the *Fighting Internet and Wireless Spam Act's* objective "to deter the most damaging and deceptive forms of spam, such as identity theft, phishing and spyware, from occurring in Canada and to help drive spammers out of Canada", and its stated purpose to "promote the efficiency and adaptability of the Canadian economy by regulating commercial conduct that discourages the use of electronic means to carry out commercial activities". However, the Act and its proposed regulations do not adequately balance the objective of preventing unwanted or harmful behaviour with the objectives of ensuring that perfectly legitimate activities do not become illegal.

Industry Canada and the CRTC need to provide more detail and flexibility through regulations or interpretation guidelines. This would lessen the impact on legitimate businesses and smooth the transition to the new regime especially for small businesses. It is critical that the government undertake a comprehensive public awareness program to educate the private and not-for-profit sectors about their new obligations, and that organizations be provided sufficient time to implement compliance programs.

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The Business Case for Investing in Canada's Remote Communities

On September 19, the Canadian Chamber in partnership with GE Canada released [*The Business Case for Investing in Canada's Remote Communities*](#). Canadians have to start looking at our remote communities differently. As the world beats a path to Canada's natural resources door, many remote communities can no longer be cast in the light of regions needing government's "help" to stay alive. They need to be regarded for what many of them are; generators of the wealth that will make it possible for us to maintain – even enhance – our standard of living and the incubators of the new technologies and business practices to make us more internationally competitive.

In *The Business Case for Investing in Canada's Remote Communities* the Canadian Chamber states that Canada needs a long-term strategy for our remote communities. We realize that this is a long-term initiative and propose more immediate measures the federal government – working alone, with the provinces/territories and/or with business – can take to create the policy environment needed to move remote communities forward in realizing their economic potential.

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