

May 29, 2008

The Honourable Jim Peterson, P.C.  
Ontario Chief Negotiator  
Ontario-Québec Trade and Economic Negotiations  
c/o Fasken Martineau DuMoulin LLP  
66 Wellington Street West  
Suite 4200, Toronto Dominion Bank Tower  
Toronto-Dominion Centre  
Toronto, Ontario  
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Mr. Michel Audet  
Québec Chief Negotiator.  
Ontario-Québec Trade and Economic Negotiations  
30 rue Berlioz, apt P 3.1  
Iles des Soeurs  
Montréal, Québec  
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Dear Mr. Peterson,  
Dear Mr. Audet,

Our respective organizations were delighted when the governments of Ontario and Quebec recently signaled their intent to forge a stronger economic relationship. Incompatible regulatory and tax regimes have long impacted labour mobility, investment, and trade to the detriment of both regions. We applaud your leadership in addressing this issue and stand ready to support both governments in this important endeavour. It is in this spirit that we wish to draw your attention to a current opportunity to facilitate further harmonization between the provinces, while demonstrating your commitment to creating optimal conditions for economic prosperity.

The residents of Ontario and Quebec clearly expect their government officials to take strong leadership on environmental issues. You may be aware that the province of Ontario is in the process of approving a stewardship plan which will work to remove electronic waste from provincial landfills. This program is the result of years of consultation between government officials, industry leaders and other key stakeholders. Over the same period of time, Quebec has engaged in similar consultations and is poised to release its e-waste regulation in the near future. Unfortunately, we understand that Quebec is intending to take a path that differs from Ontario and the other regulated jurisdictions.

Visible fees have been adopted in many Canadian jurisdictions because they have proven to be effective in terms of raising public awareness and participation rates. A key feature of Ontario's regulation is that it provides manufacturers and retailers flexibility in terms of how they handle the recycling fees. This transparency has also prevented arbitrary product mark ups that can occur with a less visible system. We understand that Quebec plans to mandate that such costs be included in final sale price. We believe at this stage that failing to harmonize Quebec's regulation with Ontario and the rest of Canada would be detrimental on two counts: by marginalizing the Quebec market and by deterring efforts to harmonize regulations between Quebec and Ontario.

Failure to harmonize systems will, we believe, have a negative impact on Quebec and Ontario consumers and on businesses operating in both jurisdictions. We also fear that it will inadvertently create an unfair playing field and stifle innovation, both of which violate the spirit of your current mandate. For these reasons, we call upon you and your respective leaders to consider harmonizing the electronic stewardship programs in Ontario and Quebec. We believe that doing so will provide a high profile opportunity to demonstrate a real commitment to the negotiations launched by the Premiers last Fall. We would be happy to consult further on this issue should you have any questions or require further clarity.

Sincerely,



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Françoise Bertrand, President, Fédérations des Chambres de Commerce du Québec



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Gaston Lafleur, President, Conseil Québécois Du Commerce de Détail



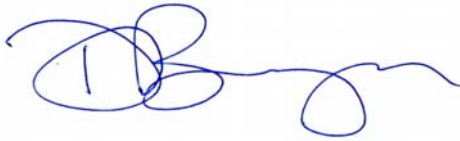
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Diane J. Brisebois, President and CEO, Retail Council of Canada



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Len Crispino, President and CEO Ontario Chamber of Commerce



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Dalton Burger, President and CEO, Electronic Product Stewardship Canada



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Perrin Beatty, President and CEO, Canadian Chamber of Commerce



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Thomas d'Aquino, Chief Executive and President, Canadian Council of Chief Executives



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Jean-Luc Trahan, President et Director General, Manufacturiers et Exportateurs du Québec.



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Catherine Swift, President and CEO, Canadian Federation of Independent Business

*c.c. Premier Dalton McGuinty*  
*Premier Jean Charest*  
*The Hon. Sandra Pupatello, Ontario Minister, Economic Development and Trade*  
*M. Raymond Bachand, Quebec Minister, Economic Development, Innovation and Export Trade*  
*The Hon. John Gerretsen, Ontario Minister, Environment*  
*Mme. Line Beauchamp, Quebec Minister, Sustainable Development, Environment and Parks*