



July 15, 2005

Cam Jackson, MPP
Burlington
19-460 Brant Street
Burlington, Ontario, L7R 4B6

RE: WSIB Proposed Rate Hike Damaging to Ontario's Economy

Dear Mr. Jackson:

The Burlington Chamber of Commerce and its members are gravely concerned with the potentially dire consequences the government's proposed increase to WSIB premium rates will have on Ontario employers and the province's competitiveness.

The proposed WSIB rate hike of a minimum of three per cent per year for the next five years seems to contradict the government's stated intention in the 2005 Ontario Budget not to raise taxes in Ontario. Our membership views the proposed increase in WSIB premium rates as direct increases to payroll taxes which will affect every industry and employer in Ontario and places the province's ability to grow at considerable risk.

Though the Burlington Chamber of Commerce appreciates the government's current fiscal position, we believe the new Ontario Health Premium sufficiently addresses the government's concern over rising health care costs. Ontario taxpayers were told that the new taxation revenue from this premium would be used to invest in the reduction of wait times, improving access, enhancing preventative health measures and expanding mental health services. As such, we do not believe a WSIB rate hike is warranted.

The proposed increase in WSIB premium rates, coupled with the new Ontario Health Premium, is arguably the largest tax hike Ontario has seen in recent years. This payroll tax increase will extract up to \$2 billion or more in increased premiums over the next seven years from the Ontario economy. Revenue from the Ontario Health Premium is planned to reach \$2.4 billion in 2005, and is expected to rise by about \$1 million per year thereafter.

On a final note, the Burlington Chamber of Commerce is concerned that the WSIB's Chair position has been vacant since March 2004. We therefore respectfully urge the Minister of Labour to immediately appoint a new Chair as soon as possible.

Thank you for the opportunity to present our position on this important matter. We would be pleased to meet with you or your officials to discuss this issue in greater detail. You or your staff can contact me at 905-632-9474.

Sincerely,

Richard E. Burgess
Chair, Board of Directors
Burlington Chamber of Commerce

cc: The Honourable Greg Sorbara, MPP, Minister of Finance
The Honourable Steve Peters, MPP, Minister of Labour
Ms. Jill Hutcheon, President & CEO and Interim Chair, WSIB
Mr. John Tory, MPP, Leader of the Official Opposition
Mr. Howard Hampton, MPP, Leader of the New Democratic Party of Ontario
Mr. Len Crispino, President and CEO, Ontario Chamber of Commerce