

VIA EMAIL

April 16, 2019

Hon. Vic Fedeli
Minister of Finance
7 Queen's Park Crescent, 7th Floor
Toronto, Ontario
M7A 1Y7

Re: Bill 100, Schedule 23 (*Federal Carbon Tax Transparency Act, 2019*)

Dear Minister:

As you know, the Canadian Federation of Independent Business (CFIB) is a non-profit, non-partisan organization representing 110,000 independently-owned small- and medium-sized businesses in all sectors across the country, including 42,000 members right here in Ontario.

The businesses we represent strongly support the Ontario government's efforts to fight the unfair federal carbon tax, and feel transparency is an important principle to follow in this fight. We understand that the notice to be affixed to every gas pump in Ontario under the proposed *Federal Carbon Tax Transparency Act* is a step towards keeping the public informed about the gradually increasing financial impact of the federal carbon tax on prices at the pumps.

However, the fines associated with not posting the notice will be a particularly hefty hit on independent gas station owners who are deemed to be non-compliant. The fines are inconsistent with other fines for similar non-compliance (e.g. the former fines for not posting the *Employment Standards Act* poster started at \$250). They are also at odds with the Ontario government's recent, successful efforts to reduce red tape and shift the focus from punishment-based to education-based enforcement.

Additionally, we are concerned that the jurisdiction for administering the fines will fall to the Technical Standards and Safety Authority (TSSA), one of the most problematic agencies for CFIB members overall and on the enforcement side specifically, especially recently.

Furthermore, there are many unknown and other details about the notice that if left unresolved, will create a regulatory nightmare for gas station operators of all sizes. For example, who will be responsible for printing the sticker and adhering it to the pumps - the business owner or the inspector? If the stickers are vandalized, will the business owner still be fined? And finally, based on

business feedback from our recent labour enforcement roundtable with MPP Jane McKenna, we predict that these inspectors will gladly use the law as currently written to come back day after day to score the most fines allowable and seek out other things to fine, taking business owners away from what they do best - creating jobs and running their gas stations.

While our members appreciate your leadership in pushing back against the ill-designed federal carbon tax, we recommend the province encourage businesses to take the steps outlined in the *Federal Carbon Tax Transparency Act* without the threat of any penalties for failing to comply with the rules. CFIB stands ready to work with your government to promote ways to increase transparency without adding an additional burden to independent businesses in Ontario.

Thank you for your attention to this important matter.

Sincerely,

Original signed by

Dan Kelly
President and CEO

cc: Hon. Doug Ford, Premier of Ontario
Hon. Greg Rickford, Minister of Energy, Northern Development and Mines
Hon. Rod Phillips, Minister of the Environment, Conservation and Parks
Hon. Todd Smith, Minister of Economic Development, Job Creation and Trade
Hon. Bill Walker, Minister of Government and Consumer Services