

# McMILLAN BINCH LLP

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For Immediate Release

## Ontario losing competitive edge with outdated business laws Law firm McMillan Binch submits Reform Proposal to Queen's Park; Urges business to support speedy action

TORONTO February 17, 2005 – Ontario's commercial law is in urgent need of immediate reform to maintain the Province's competitive position globally and especially in the North American financial and business sectors, according to a *Proposal for Ontario Business Law Reform* submitted to Ontario Minister of Consumer and Business Services Jim Watson by senior business law advisors at McMillan Binch LLP.

While neighbouring jurisdictions in Canada and the United States are providing competitive legislative regimes for the business and financial sectors, taking care in particular to reflect electronic securities trading and settlement systems and other realities of the modern marketplace, Ontario is lagging behind with an outdated regime which has not been "leading edge" since 1983, the McMillan Binch document states.

"As lawyers working with global businesses in Ontario, we understand how important it is to have a top-tier legal infrastructure to attract new business and ensure companies here stay competitive in the global market," said David Butler, a partner at McMillan Binch LLP.

The McMillan Binch Reform Proposal identifies three legislative changes which will significantly update business law in the province: enacting the *Uniform Securities Transfer Act* and updating both the Ontario *Business Corporations Act* and the *Personal Property Security Act*. The proposed changes are outlined in more detail in the *Proposal*, available on McMillan Binch LLP's Business Law Reform web site at [www.mcmillanbinch.com/businesslawreform](http://www.mcmillanbinch.com/businesslawreform).

"Enacting the *Uniform Securities Transfer Act* will provide the legal framework for straight-through processing, which will save the Canadian securities industry an estimated \$140 million annually," said partner Robert Scavone. "Our goal is to have corporate laws which are competitive with Delaware and commercial laws that can compete with New York," Scavone added. "These two states are commonly considered to provide some of the most competitive legal regimes for business in North America."

According to partner Wayne Gray, "Modernizing our business laws is the ideal non-fiscal complement to the government's forthcoming budget initiatives. It is good for business and will lead to economic growth in Ontario, which in turn supports a more robust economic outlook across Canada."

McMillan Binch LLP is actively enlisting support for this important initiative across the spectrum of Ontario's financial and business community, and is urging representatives of such businesses to register their support for the business law reform *Proposal* at [www.mcmillanbinch.com/businesslawreform](http://www.mcmillanbinch.com/businesslawreform).

McMillan Binch LLP is one of Canada's leading business law firms. Operating from Toronto, it has a long tradition of public service. Lawyers at McMillan Binch LLP are working *pro bono* to spearhead the current drive to modernize Ontario's corporate commercial laws.

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### For more information:

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