



Windsor & District Chamber of Commerce

Chamber Expectations
From the
2006 Ontario Budget

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2006 ONTARIO BUDGET MUST PROVIDE FOR SEAMLES BORDERS AND ECONOMIC DEVELOPMENT FOR WINDSOR & ESSEX COUNTY

The Windsor & District Chamber of Commerce is pleased to meet with you today to discuss the next Provincial Budget for Ontario.

As the “Voice of Business,” the Windsor & District Chamber of Commerce represents over 1,400 business members who collectively employ more than 80,000 people. Our membership profile truly represents a cross-section of the business interests in our community.

To briefly outline our Chamber’s expectations we are urging the government to concentrate on four key priorities:

1. Provide the necessary funding to ensure a seamless Border at Windsor-Detroit, the most important border-crossings corridor in Ontario and Canada.
2. Provide the necessary funding to address economic development for Windsor and Essex County
3. Provide a competitive corporate and personal taxation environment to ensure our economic prosperity and that Ontario remains competitive with Michigan and New York State.
4. Eliminate the provincial deficit as soon as possible

Current Fiscal Year

In February of this year the Chamber was supportive of the fiscal policy direction of the government and the government’s plan to address the Ontario deficit situation. In a meeting with Greg Sorbara (Minister of Finance at the time) we recommended a two-year horizon for the elimination of the deficit. From your recent throne speech we heard that the fiscal outlook for the Province improved markedly since then.

Our expectations in February included emphasis on economic growth in the Province, eliminating the deficit, and once the deficit is eliminated, firm steps to reduce the debt and significantly improve the debt-to GDP ratio. We also called for elimination of some of the most regressive taxes that regularly reduce profits from the private sector companies, such as the capital tax.

To achieve a balanced budget the Chamber recommended the Ontario government concentrate its spending on key priority areas. For the Chamber these priorities included investment in Border related infrastructure for the Windsor-Detroit Border crossings and as mentioned, the emphasis on stimulating economic growth.

We also stated some of the other priorities identified by our members and the business community across the province. Along with transportation infrastructure we talked about health care, education and energy pricing and supply.

For the 2006 Budget I would like to focus on the two key priorities for this Chamber.

Windsor-Detroit Border Crossings

Some of the Border issues have moved forward in the past year but the immense task of approving a third crossing, improving the access to the border crossings while ensuring minimal environmental impacts on our communities, implementing the stated technological solutions and many other outstanding issues will require ongoing funding by senior levels of government.

Our Chamber has stated the need for a significant investment in border infrastructure in the region. Given the importance of the region to the national economies of both countries, the age and capacity levels of existing infrastructure the Chamber recognizes a need for a new border crossing.

We supported efforts that will accelerate and expand use of pre-clearance programs, including programs like FAST and NEXUS. Such efforts should include greater incentives for participation and ease of enrollment. Special emphasis should be placed on expanding the number of pre-clearance lanes and improved access to these lanes upon approach.

New technology requirements should minimize the amount of investment required by the private sector, and new technology interface requirements should not place a significant financial or other burden on the business community.

Lastly, there must be sufficient support for local and provincial law enforcement who function beyond the confines of the traditional crossing areas.

Our traditional advantages such as our public health care are no longer able to withstand our competitive pressures alone when we have a higher Canadian Dollar and there is a perception of delays at the Border. This morning there was an article in the Windsor Star about auto parts suppliers leaving our area and shifting their operations to the U.S.

Solving the Border issues will send a strong signal to the business community that the Border is no longer a barrier. Ontario must continue to provide its leadership and the necessary funding to make this happen.

Economic Development and Growth

Economic growth also remains as a priority. Local economic development cannot happen in a vacuum. The fiscal stimulus we are asking for is contingent only on a better taxation regime from the Province but also on government spending in this area.

Providing real incentives directly to businesses and centres of innovation will help immensely in the efforts by the business community to organize economic development initiatives. In other words, we must enable the communities to increase their international competitiveness.

This is not only a priority for the government. We worked hard on addressing these issues and we expect that our government will work equally hard on addressing those issues in the 2006 Budget.

Competitiveness of Windsor & Essex County

The Chamber would like to take this opportunity to ensure that we have a common understanding of what the situation is like in our communities here in Windsor & Essex County that prompted the Chamber to call for greater emphasis on economic development.

In addition to our higher Canadian Dollar the Western Hemisphere Travel Initiative will require Canadian and American Citizens to provide passports or passport like documents to cross the border for any purpose by 2008. The Province has an opportunity to lead and fund the development of innovative technology to expedite legitimate goods and people (i.e. embedded computer chips in readable format).

This is an issue we are still dealing with at the moment. It is unlikely that we will be able to fully avoid the costs of this initiative. Needless to say, the border will become an even greater barrier to trade and tourism. Locally these problems are magnified. We urge the government to allocate funding if necessary to address this issue.

Our auto and manufacturing sectors are in decline. It makes sense to pay close attention to the communities that are experiencing the downside of global influences.

We suggest that to mitigate job loss the Provincial government explore defining economic indicators for communities that negatively deviate from the Provincial norm and create incentives for investment and thus creating job opportunities in those regions.

Thank you for this opportunity to present our views today.