

MAYOR EDDIE FRANCIS
Chamber of Commerce Speech – Managing Your Money Better
May 18, 2004

Thank you, Renato.

And let me also thank each of you for joining us here today.

I am told that this is the largest audience ever to attend the Mayor's luncheon.

I believe that is a testament to the excitement and the new-found energy that we have in our city today.

Ladies and gentlemen, I can tell you that as Mayor, some days can be challenging.

But one of the best days I have had, was the day the strike at Casino Windsor ended.

Let me tell you how proud I am, that the Casino Strike has been resolved.

Both Ken Lewenza and Kevin Laforet showed courage and real leadership to get the deal done.

And all of you know and appreciate how important that is for our City, and for our local economy.

Moving forward, I am confident and excited to have a President who is from this community. Understands this community, and is committed to this community.

I want to thank Bell Canada for sponsoring today's lunch.

Merci à tous nos amis chez Bell Canada pour leur générosité.

It has been nearly six months since the new council and I took office, and I am proud of the progress we have made on your behalf.

I have nothing but praise for the ladies and gentlemen that serve you on our City Council. They have been focused, dedicated and committed to act on the key issues that face our City.

We have been extremely busy.

We have made progress on truck traffic and border crossing issues.

And we are working to bring greater stability to the people who work on all of our behalf for the City of Windsor.

But today, I want to speak with you about two of our other major priorities.

First, bringing order and prudence to the City's fiscal situation.

And then second, working to generating greater economic growth for the Windsor-Essex region.

Let me begin with the progress that we've been making on the fiscal and budgetary challenges facing our city.

It was only when I first became mayor, that I fully appreciated the difficulty of our fiscal challenges.

And a few weeks after I was elected, a constituent bumped into my wife Michelle, and asked how I was dealing with those fiscal challenges.

And Michelle said, "Oh - Eddie sleeps like a baby.

"He wakes up every two hours, and he cries!"

Having been Mayor now for nearly six months, I am more aware than ever about how critical our city's fiscal footing is to our future growth and prosperity.

It is no secret that the City's debt has grown to problematic levels over the last many years.

In general, people don't like talking about Windsor's debt.

It isn't a pleasant topic.

But ladies and gentlemen, the cold hard truth is that ignoring the debt, it isn't going to make it go away.

We have to tackle it head-on, and make sure that the people of Windsor understand why it needs to be a big priority.

Here are the facts.

Today, compared to comparable cities in Canada and abroad, Windsor's debt is among the highest.

Without action, our City's existing commitments would push our projected debt to \$275 million by 2006.

To put this into perspective – each man, woman, and child in our city would carry a burden of \$1,320 in debt.

For a family of four, that's \$5,280. Which is the equivalent of the annual lease on a fully loaded mini van.

Or family groceries for six whole months.

As of 2002, the debt burden carried by a Windsorite was more than two times higher than the average debt burden of people in other cities similar to ours throughout Ontario.

Just last week, Standard and Poor – the debt rating agency – reviewed the state of our City's finances.

They said, and I quote:

“With Windsor's debt burden remaining at the upper end of the range compared with similarly rated domestic and international peers...ANY unexpected ramp-up in the city's debt beyond which is stated in its capital plan could result in a downward ratings pressure....”

Now at this point, you may be starting to get indigestion.

So here is the good news.

As a result of the provincial reassessment, and as a result of City Council reducing operating costs by approximately \$15 million dollars, the City of Windsor's budget will be balanced.

What Standard and Poor's said to us, was that... *it is not too late for you to get your debt under control.*

As your Mayor, I can assure you that I have heard that message loud and clear.

Our Council has heard the message loud and clear.

The people of Windsor deserve better, smarter and more efficient local government.

So today, Windsor finds itself at a crossroads.

We have a choice.

On the one hand, after nearly a decade of massive debt accumulation, we could continue to ignore our debt and saddle our children with this legacy.

A legacy so burdensome that the growth and prosperity of our city will be threatened...

Or on the other hand, we can face the menace of debt head-on—together.

We can get our debt under control, create future breathing room for tax cuts, foster an environment for economic growth and even prepare our coffers for unexpected economic problems.

I believe that an historic opportunity is before us – to begin paying down our debt, and to get it under control – once and for all!

Thanks to the exciting cost savings that have been found, we can reduce our city's debt, **and** provide modest, much-needed tax relief to the people of Windsor.

Under this plan, we would reduce our debt by \$10 million dollars, and reduce the tax rate by 2.7%.

By reducing the tax rate by 2.7%, and including the \$10 million dollars in the tax rate, this provision would allow a further \$10 million dollar debt reduction in 2005 and in each of the subsequent years.

A \$30 million dollar reduction in Debt over three years, will save the city an additional \$28 million dollars in interest charges over the next twenty years.

In turn, that money can be reinvested in other initiatives and taxpayer priorities.

I can think of no better gift for our children and grandchildren.

I understand the point of view of those who would like to see this money returned to taxpayers right away in one lump sum – but to do so would be irresponsible.

Think about it this way.

We have a big mortgage on the things we've already built – like our pools, our roads, and our public spaces.

Yet, we have so indebted ourselves, that our ability to maintain those items in the years ahead is in question. And we have still not yet paid for them.

Some have said to me, “but Eddie – throwing that money back is good politics.”

To them I say I choose good government over good politics.

When it comes to our finances, I believe, that our decisions should be made on sound business principles and not sound bites.

We need to manage our financial house better in order to keep the confidence of the people we are here to serve.

We need to give them reasons to stay.

If we are unable to do so, people will leave. Once the exodus begins, it is only a matter of time before companies and investors begin to follow suit.

The plan to pay down the debt is exciting.

Exciting because it is the right thing to do, and because it will lay the foundations for future growth in our city and in our region.

Prosperity for our city depends on a healthy economy that offers confidence to local businesses thus encouraging outside investors to come here.

And that very prosperity provides our city with a long-term, stable cash flow that allows us to enhance our services and quality of life for the benefit of all of our people.

This brings me to the next topic that I want to speak with you about today – bringing even more jobs and investment to our city.

Windsor's economic fundamentals are strong.

However, as we learned from the recent layoffs at Ford, we cannot be complacent.

We cannot be passive when it comes to attracting jobs and investment.

We all know what a wonderful community this is. We know our potential.

Standard and Poor, recognizes that we are, and I quote, “a city strategically located on the southwest tip of Ontario and adjacent to one of the most important gateways to the US Market” .

We must harness the gift of geography that we have been given.

We know Windsor’s advantages. It’s time we told our story to more investors, and more young families looking for a great place to live.

And this is why we created Enterprise Windsor – a new economic development engine for our City and our region.

Enterprise Windsor recognizes what *is*. It will not pretend that Windsor is an Island unto itself.

Instead, it will market our City as integral part of an economic zone, that includes Michigan, Essex County, and Chatham- Kent.

There is a new reality when it comes to economic development that we must face and that I look to you as the Chamber to help lead and guide us through.

It has been proven by other regions, that to successfully accelerate economic growth, you must be economically competitive and attractive.

How do we translate these components into economic growth?

First, we must understand what it means to be economically competitive or attractive.

Competitiveness comes from business productivity, innovation, a strong labour force, quality infrastructure, and a rich culture.

Let me speak to these things.

Our businesses – large and small – are internationally renowned for their productivity.

Windsor is the automotive Capital of Canada. We can – and we must – move even further into the lead.

We must also help the engines of our economy, our smaller businesses.

As someone who might be considered a small businessperson myself, I understand what others mean when they say that there are no small businesses.

Just great businesses that don't have five hundred employees yet.

I also understand, that often, the best thing that a government can do to help business, can be summarized in five words:

Get out of the way!

When governments leave businesses alone to do what they do best, it is amazing the innovation and creativity that takes form.

And when it comes to innovation, Windsor is on the leading edge.

We have the University of Windsor and the DaimlerChrysler's ARDC centre.

We have Auto 21.

We have St. Clair College.

And we have the Ford Centre for Excellence in Manufacturing.

Our city is becoming a hub for research and development excellence.

Not only in the automotive sector, but in other industries as well.

Research and Development means highly skilled and high-paying jobs.

And today, R&D is about how do you take an idea and commercialize it ... from idea to product and those individuals that are able to do so will attract the jobs.

Our entire region – including Michigan and Chatham – must position itself as a world-renowned centre for research and development.

When it comes to our labour force, we are the best. Our people are well trained, well educated, and ready to compete with anyone from anywhere in the world.

However, there is more work for us to do. Like in business... you must earn the respect and the loyalty of your clients and customers.

To earn the investment of new companies and new investment from existing companies – we must focus our efforts on improving the quality of life in Windsor and enhancing our infrastructure.

While there is always more to be done – we have a good base.

With a new border crossing solution under development, we will have a new expedited corridor of trade with our economic regional partner to the north, which will allow our region to grow even more.

We need to develop a higher sense of community in Windsor.

We need to promote culture in our community.

One of the most interesting trends in those successful regions I mentioned earlier was the rise of the creative class and the emphasis on culture in those communities.

It used to be that production was dependent on location – be it the right soil, geography, or proximity to natural resources.

And people just followed the jobs.

But not today. In today's world, technology, skills, and ideas can be moved around the world .

Today, capital and technology are moving toward where the labour force is - the jobs are following the people.

People are the commodity.

Economists and Researchers have demonstrated that people are choosing where they want to live, and the companies are following the people.

Today people are choosing to live in Metropolitan cities that offer a high quality of life and culture plays a significant role in that.

Our great city is a blend of cultures.

And our symphony, art galleries, and leisure activities are second to none for a city of our size.

Windsor has what it takes to succeed.

We have the key ingredients.

We are competitive – but do we sell these attributes? We need to start because if we do not espouse our own virtues, then someone else will espouse there's.

What we really need to do is attract the people attractive to investors. We need to tell our story.

But we need to be aggressive in attracting investors, and the jobs and prosperity they bring.

We must embrace the global economy.

We must leverage the shifting positions of the players in the automotive sector.

And we must unlock the tremendous potential of our Region to grow, diversify, and prosper.

Let me leave you today with these final thoughts.

I have said before, and I will say again, how much I believe in the spirit of the people of this city.

I believe in our can-do attitude.

I believe in our work ethic, and our ability to get things done.

And I believe in our future.

As you return to your offices this afternoon, recall the words of French author Victor Hugo, who said: "There is nothing like a dream, to create the future." And the words of Elizabeth Wong's grade six class at St. Anne Elementary School, "If we aim for the moon and miss, we would still be among the stars."

So be bold.

Think creatively.

And most importantly, dream of a better tomorrow for our great city.

Thank you very much!