

July 30, 2004

The Honourable Harinder Takhar, MPP
Minister of Transportation
77 Wellesley Street West
3rd Floor, Ferguson Block
Toronto, ON M7A 1Z8

RE: Great Lakes St. Lawrence Seaway

Dear Minister:

The Ontario Chamber of Commerce (OCC) is a federation of 160 local chambers of commerce and boards of trade in the Province of Ontario, representing 57,000 businesses of all sizes, in all economic sectors and from every area of the province. The OCC's mandate is to advocate strong policies on issues that affect its membership throughout Ontario's business community.

The OCC's over-arching goal has been to ensure that Ontario is the most competitive jurisdiction within North America. Currently traffic congestion, gridlock, and border delays, coupled with not having a seamless and integrated multi-modal transportation system, has resulted in lost competitiveness and quality of life in the province.

Canada's ports and harbours play a crucial role in linking economic activities to markets that otherwise would not be accessible. As they are linked to both the rail and road networks, Canada's major ports are vital gateways in the national transportation system. The St. Lawrence Seaway handles almost 200 million tonnes of cargo each year, with over 100 million tonnes passing through ports along the St. Lawrence River. The waterway is a critical part of the North American economy, responsible for approximately 36,000 direct and indirect jobs in Canada and about \$9 billion combined in personal income, transportation-related revenue and federal, state and local taxes. Almost 400 tonnes of cargo travel annually by water, representing more cargo than any other single mode, valuing approximately \$80 billion per annum. Marine transportation is vital to Canada and Ontario's trade and economic competitiveness.

The OCC continues to urge the Government of Ontario to ensure that appropriate funding is allocated to Ontario's infrastructure and trade corridors. It also strongly recommends that both the federal and provincial governments work together to maximize the use of existing and underutilized transportation capacity. The Great Lakes-St. Lawrence Seaway has been and continues to be under utilized as public policy and investment remains focused primarily on highway infrastructure. According to Transport Canada, marine traffic with the United States, our largest trading partner, was valued at \$14.7 billion in 2002, which represents only 2.6% of total Canada-US trade. The bulk of this traffic was handled by surface transport modes, such as trucking and rail. The Ontario Chamber of Commerce strongly believes that the St. Lawrence Seaway should be fostered and used to its full potential to be part of a strong, coordinated transportation network in the province. An intermodal transportation system requires cooperation within the industry, effective connections between modes, and supportive government policies and regulations.

Trade with the US has grown by 152% since 1989, with similar growth in commercial traffic of 122 per cent. Future trade with the US is expected to grow by 180% by 2015, with a similar growth in truck traffic. Congestion on the road systems is predicted to add another tractor/trailer combination every 270 yards between Boston and Miami if other options are not identified and successfully developed.

On May 1, 2003 former Transport Minister David Collenette and US Transportation Secretary Norman Y. Mineta signed a memorandum of cooperation to ensure the ongoing success of the Great Lakes and St. Lawrence Seaway transportation system.

It is for these reasons that members of the Ontario Chamber of Commerce unanimously approved a policy resolution on the importance of the St. Lawrence Seaway.

The Ontario Chamber of Commerce urges the Government of Ontario to:

- 1. Promote the Great Lakes St. Lawrence Seaway system potential with policy initiatives intended to consider utilization of the waterway for transportation of all commodities and particularly inter-modal traffic as an alternative to other modes.*
- 2. Propose a cost sharing formula to work with U.S. administrators and the Canadian government providing contribution by Ontario toward the US\$20M US Army Corps of Engineers Feasibility Study phase ensuring Ontario interests are considered in the next step in the Great Lakes St. Lawrence Seaway waterway review.*
- 3. Provide appropriate funding to promote and develop this vital transportation resource and to establish its viability year round as a priority within all levels of government in order to secure the benefits the Great Lakes St. Lawrence Seaway system can provide industry and the citizens of Ontario into the future.*

We would be pleased to meet with you or your officials to discuss this issue in greater detail.

Sincerely,

Len Crispino
President and Chief Executive Officer

cc: The Honourable Jean Lapierre, MP, Minister of Transport Canada
The Honourable David Caplan, MPP, Minister of Public Infrastructure Renewal
The Honourable Joseph Cordiano, MPP, Minister of Economic Development and Trade