

ECONOMIC OUTLOOK 2004

Word From the Chamber President

LINDA SMITH, President

I am pleased to present you with our 2004 Windsor & District Chamber of Commerce Economic Outlook.

This annual report coupled with our Economic Forecast Luncheon presents what our membership sector leaders are forecasting for this region for the coming year.

This year's participants include sector representation from Automotive Manufacturing, Commercial Industrial Construction, Gaming/Hospitality/Tourism, as well as the City of Windsor and the County of Essex.

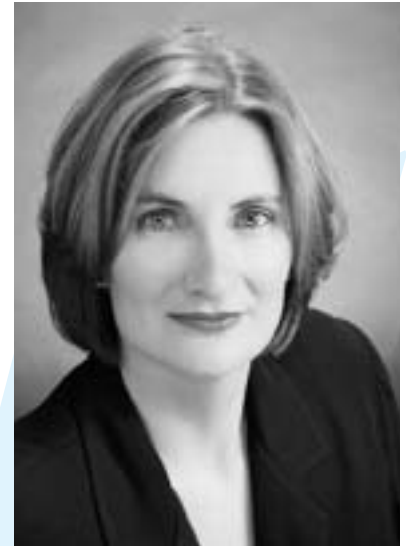
We are pleased to continue forecasts from the Canadian Chamber of Commerce and the Detroit Regional Chamber of Commerce. These were new additions in 2003.

Surveys of business activity point to a sharp rise in economic activity. The United States economy appears to

be recovering from a long period of malaise. US growth numbers, while debated, indicate a significant up-turn in the world largest economy. A recovery in the United States has always been good for Canada.

Export competitiveness is a major issue in light of the strong Canadian dollar. Canadian employment and inflation, coupled with low interest rates and strong consumer spending has kept the Canadian forecast strong. By some reports, business investment in machinery and equipment could be the fastest growing component of GDP.

I am very proud to present to you this Economic Outlook 2004 by our business leaders.



BMO, BANK OF MONTREAL'S "OUTLOOK 2004"

The following Canadian and Ontario Economic Outlook highlights are part of the **BMO, Bank of Montreal's "Outlook 2004"** publication.

CANADA OUTLOOK

Look for growth at potential in 2004

Besides low interest rates and a strong US

economy, growth next year should be supported by two additional factors. First, rising equity prices with the S&P/TSX Composite index up 21% so far in 2003 will bolster household wealth. Second, non-energy commodity prices will likely climb amid strengthening global demand, thereby boosting incomes in Canada's natural

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LEADING THE BUSINESS COMMUNITY IN CREATING REGIONAL ECONOMIC PROSPERITY

resource sector. Despite these solid underpinnings, the pace of growth will likely slow through the year as exports contend with the currency's appreciation. We estimate that the 14% trade-weighted appreciation of the loonie since the start of 2003 could subtract more than one percentage point from GDP growth in this year and next. As well, the hot housing market is expected to moderate from current high levels of activity.

The economy is forecast to expand 3.4% on a fourth quarter-over-fourth quarter basis in 2004. This is a good one percentage point faster than the estimated pace for 2003 and at the upper end of a range of estimates of long-run potential growth. Nonetheless, growth in Canada in 2004 will be about one-half a percentage point less than that in the United States, since the latter country will benefit from relatively lower interest rates, a weaker currency and greater fiscal stimulus.

Job growth has downshifted in 2003, with only 98,000 net positions created in the first nine months of the year. Some slowing was expected following last year's exceptional performance when over one-half million jobs were generated. As would be expected, the sector that was hurt the most by a rising Canadian dollar, the export-oriented manufacturing sector accounted for the bulk of the slowing in employment, with 77,000 factory jobs lost so far this year. Conversely, the interest-sensitive areas of the economy, like construction, have proven to be resilient job creators. Owing to soft employment growth and continued expansion of the labour force, the jobless rate has climbed from 7.5% at the end of 2002 to 8.0% in September 2003. However, the unemployed should fare better next year. Projected above-potential growth in the economy should ease the jobless rate to 7.7% in 2004.

Inflation to remain low

Annual growth in the central bank's core CPI (which excludes the eight most volatile items and indirect taxes) climbed to 3.3% in January 2003 from 1.8% in the year-earlier period. The rise in core inflation was led, for the most part, by large increases in auto insurance premiums and past increases in electricity costs.

However, a moderation in growth of these special factors as well as the opening up of slack in the economy have allowed the core rate to retrace to 1.7% in September. Going forward, with the unemployment rate expected to stay above its presumed structural rate of roughly 7% in 2004, the economy will operate with a margin of slack. This means that unit labour costs should stay low for a while. In addition, the stronger Canadian dollar will depress import prices.

Working in the opposite direction on prices, however, will be inflation expectations which are anchored to the 2% inflation target over the medium term. As a result, core CPI inflation should moderate only slightly to 1.5% in 2004.

Canadian dollar finally takes off.

Against a sagging greenback, the Canadian dollar was one of the best performing currencies in 2003, rising 20% from the start of the year to mid-October. We had anticipated some appreciation in *Outlook 2003* but not this much! For the most part, the loonie's strength stemmed from pervasive weakness in the US dollar as global investors took notice of the gaping hole in the US current account. With Canada still running a healthy surplus in its trade account, a correction in the bilateral exchange rate was long overdue.

...but likely to stabilize in 2004

The Canadian dollar is expected to remain firm against the US dollar in the months ahead. However, it will likely pull back a bit early next year as stronger growth in the US prompts the Fed to tighten ahead of the Bank of Canada. Through the balance of 2004 and in early 2005 we expect opposing forces to keep the currency around 75 cents US. On the down side, interest-rate spreads are expected to narrow as the Fed lifts rates faster than the Bank of Canada to renormalize monetary policy. On the up side, we estimate that the greenback needs to fall a further 10 to 15 per cent on a trade-weighted basis to stabilize the US external account.

At the same time, Canada's current account will likely remain in a healthy surplus in 2004 (at about 2% of GDP), as strengthening US demand tempers the ill effects of a stronger currency. Further support for the loonie should emerge from rising non-energy commodity prices in 2004. After the cyclical influence of narrowing rate spreads has dissipated, the Canadian dollar is projected to appreciate towards 77 cents US by the end of 2005 as concerns about the US trade deficit resurface.

Risks are better balanced than a year ago

Following a difficult year, one can only hope that Canada faces more positive than negative surprises in the year ahead. Clearly, however, the economic outlook will depend on the strength of the US economy. Given the substantive stimulus and the marked improvement in financial conditions, the US recovery is on a much firmer footing today than a year ago. That said, because of the investment overhang, the US recovery has been uneven to date, as evident by the continuing dearth of new jobs.



Windsor & District Chamber of Commerce

JANUARY 2004

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OUR MISSION

"Leading the business community for creating regional economic prosperity."

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The unprecedented sharp appreciation of the loonie to date, and the wide range of uncertainty about its future direction, presents another set of risks to the economic outlook. Of course, the upside of a further marked appreciation and attendant weakness in exports would be lower interest rates and greater strength in domestic demand and residential construction.

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ONTARIO OUTLOOK

Early in 2003, Ontario's economy appeared poised to sustain its healthy momentum of the previous year. Several months later, the adverse impacts of SARS, weak capital markets, the sharp rise in the Canadian dollar,

and the August 14th power blackout weigh heavily on the province. Further, a sluggish US economy during the first half of 2003 led to a pronounced drop in Ontario exports, with particularly large declines for motor vehicles and parts and aerospace products. Most sectors in the province are struggling, with the exception of home building and renovation.

Manufacturers have seen a significant slowdown in demand, with shipments underperforming those in other parts of the country. Producers of electronic products, electrical equipment, machinery, wood and paper products, fabricated metals, transportation equipment, and textiles have faced particularly difficult markets. Weak industrial activity has also taken a toll on the utilities sector exacerbated by the blackout in August and transportation and warehouse services.

The financial services industry, heavily weighted in Ontario, has faced a sharp slowdown in growth, with credit intermediation and insurance decelerating noticeably and capital markets activity dropping sharply in 2003. Tourism has also suffered, due to the impact of SARS, the higher Canadian dollar, and reduced travel in the wake of the Iraq war and generally weak economic conditions globally. Continued booming residential construction in Ontario and robust growth in the province's chemicals industry partially offset broad-based weakness in manufacturing and large parts of the services sector.

Nevertheless, we estimate that the Ontario economy will grow by only 1.8% in 2003, a little below the national average and less than half its pace of the previous year.

| | 2002 | 2003 | 2004 |
|-----------------------------------|-------|------|------|
| Q4/Q4 % Change | | | |
| GDP | 3.5 | 2.2 | 3.4 |
| Consumer expenditure | 3.8 | 3.6 | 3.4 |
| Government expenditure | 3.2 | 3.7 | 3.4 |
| Residential construction | 12.6 | 7.8 | -4.8 |
| Business investment | -3.8 | 4.7 | 6.8 |
| Non-res. Construction | -10.6 | 2.9 | 4.7 |
| Machinery & equipment | 0.6 | 5.7 | 8.0 |
| Final domestic demand | 3.2 | 3.9 | 3.4 |
| Imports | 6.5 | 4.4 | 5.6 |
| Exports | 0.7 | 1.0 | 5.5 |
| Levels- Annual (A), Q4 (Q) | | | |
| Ch. in inventories (97C\$bn,Q) | 11.6 | 7.7 | 5.8 |
| Housing starts (000s,A) | 206 | 220 | 190 |
| Current account bal. (C\$bn,A) | 23.4 | 21.5 | 20.6 |

Notwithstanding the significant challenges faced by businesses and policy-makers in Ontario, economic conditions are poised to strengthen during the next couple of years. The primary driver would be the US economy, where growth is anticipated to accelerate significantly to 4.4% in 2004 and then maintain a firm tone of 3.8% in 2005. This should provide a boost to Ontario's merchandise exports, of which 93% are destined for the US market.

Although producers of transportation equipment are likely to face another difficult year in 2004, other manufacturing segments and the services sector should experience a welcome turnaround. In particular, output growth is set to improve markedly for financial services, transportation and warehousing, and tourism.

Additionally, manufacturers of electronic equipment and machinery in Ontario are expected to finally see an upturn in demand and production, although gains are likely to be relatively moderate in 2004 before becoming more robust in 2005. While strengthening conditions in domestic and foreign markets point to a healthy improvement in the province's economic prospects, growth will likely be tempered by the sharp rise in the Canadian dollar and slower government spending.

Thus, we project Ontario's real GDP to essentially match the national average of 3.4% during 2004 and 2005, rather than lead as it usually does during cyclical upturns. While the higher dollar will constrain growth, most sectors should be able to make the necessary adjustments. However, a continued sharp rise in the Canadian currency would put Ontario's economic performance in jeopardy.

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CHAMBERS OF COMMERCE OUTLOOK

CANADIAN CHAMBER OF COMMERCE

NANCY HUGHES ANTHONY, President & CEO



As we began 2003, the Canadian Chamber, as well as a number of financial institutions, had forecasted real GDP growth for the Canadian economy for 2003 as a whole of around 3.2%. This was very similar to the 3.3% growth rate

posted in 2002. There is no doubt that the economic landscape turned out to be remarkably different than had been envisioned a year ago. A series of unforeseen shocks (SARS, mad-cow disease, the power outage in Ontario and forest fires in British Columbia) hit Canada's economy hard and took a heavy toll on growth, particularly in the second quarter but affected the third quarter as well. Real GDP actually contracted in the April to June period at an annualized pace of 0.7%. The third quarter of the year was also weak, with the economy growing at annualized rate of 1.1%.

When the final numbers are in, growth in the fourth quarter is expected to top 4%. Canada's economy is bound to get a lift as it rebounds from the numerous unforeseen shocks that plagued it in the second and third quarter of the year. Moreover, household spending remains healthy and business investment is rising. Canada's economy will also receive a major boost in the fourth quarter of 2003 as businesses begin to restock after the massive inventory drawdown in the third quarter of the year. Adding it all up suggest that average annual growth for 2003 as a whole will be limited to about 1.6%. This is a marked slowing from the 3.3% clip of 2002. The stronger exchange rate will pose an ongoing challenge to Canadian exporters. We expect the domestic side of the

economy, not international trade, to propel the economy forward in 2004. Healthy gains in employment and personal income and continued low interest rates should continue to support moderate gains in consumer spending in 2004. Business investment is also expected to remain robust as corporate profits continue to improve and businesses strive to improve productivity. Lastly, the need to boost inventories bodes well for future production and will be a source of growth. Overall, in 2004, Canada's economy is expected to grow at an average annual rate of around 3.0%.

DETROIT REGIONAL CHAMBER

RICHARD E. BLOUSE JR., CCE, President & CEO



We expect to see the dawn of solid economic improvement in Southeast Michigan in 2004 as the U.S. economy moves slowly but steadily from recovery mode to robust. Improving profits and the need to invest in technology, inventory and equipment to stay competitive should translate into business investment. And if the upward trend continues, we should see companies in the Detroit Region begin hiring again.

Auto sales are expected to meet or even slightly exceed 2003's pace, finishing in the range of roughly 16.7 million to 17 million units. Automakers are looking to China as an emerging market for cars and trucks.

We're supporting Gov. Jennifer Granholm in her recently announced campaign to reinvigorate Michigan's manufacturing sector and stem the loss of manufacturing job losses we've experienced in

recent years. We're closely following her "Cool Cities" initiative too. Both of these initiatives support our efforts to brand the region as the digital drive – a high-technology hub.

On the construction front, we expect to see a solid increase in activity during the spring and summer months. Several projects are slated for completion before Detroit hosts the Super Bowl in 2006.

Banks in particular are on an aggressive building schedule, adding new offices across the metropolitan area.

We also face a number of challenges as we look ahead to the new year. Two of the Detroit Regional Chamber's top priorities are health-care reform and creation of an efficient public transportation system for the Detroit Region.

LOCAL ECONOMIC OUTLOOK

CITY OF WINDSOR EDDIE FRANCIS, Mayor



Windsor and the Region are poised to take advantage of the positive economic developments on the horizon. Windsor council is embarking on an ambitious plan for our city. This plan will see Windsor evolve to be the choice for new investment while continuing to build on some our important tourism and manufacturing sectors. In addition we hope to broaden our perspective and position as the automotive capital of Canada to include more knowledge based investment that will lead us to becoming a regional high tech hub - the same way that we are experts in the tool and die and mold industry.

This is more than just an outlook for 2004 but a long-range plan. If Windsor can take the important steps of diversifying the downtown center, and construct a multipurpose/arena complex we will become not only a destination city for tourism but a city that is providing amenities that are desired by new professionals, physicians and families who wish to relocate.

In 2003 Windsor experienced moderate growth

with more building permits being issued than 2002, but we still have some challenges to overcome. The border is still an issue for all of us, especially our manufacturing sector. Council is looking forward to finding a solution and have seen some positive signs that the Federal and Provincial governments want to work with us and to implement a real solution.

As well we continue to build on our relationship with our neighbours in Detroit and in Essex county. These will be significant challenges but the strategic initiatives that our new council will undertake will allow our city to move forward with a positive outlook for 2004 and beyond.

COUNTY OF ESSEX MIKE RAYMOND, Warden



Economic growth in the County of Essex is expected to continue to develop and expand in 2004, albeit at a somewhat slower pace than that experienced in recent years. Preliminary indications confirm continued industrial and commercial growth occurring

within the County, including both new development and expansion to existing operations. Market Change Profiles for Essex County indicate an average growth in commercial and industrial assessment of approximately 2%. Agri-business is also anticipated to continue to experience a healthy year. The County's tourism industry figures are expected to remain solid and further development of niche markets such as eco-tourism continue to emerge.

The current population (2001 Census) for Essex County is 166,377 up from 152,352 in 1996. If economic activity remains at current levels, the total employment for the County of Essex will increase from 41,645 jobs in 1996 to between 52,141 and 59,954 jobs in the year 2016. The forecast for 2004 is one of continued and steady growth.

Lured by employment opportunities, a largely rural setting and access to American markets, residential development in Essex County is expected to continue to be strong in 2004. Preliminary data indicates an average increase in residential assessment of approximately 2% for Essex County.

The latest financial and economic review of the County, conducted by Standard & Poors, yielded a rating of "A+ Stable". This superior rating is among the highest afforded any county in the Province of Ontario. The rating review for 2004 has been completed with the final results pending. It is anticipated that the County's rating will remain unchanged at "A+ Stable", demonstrating Standard & Poors' confidence in the financial stewardship exhibited by Essex County Council and in the prospects for continued economic growth and prosperity in the County.

The County of Essex and its partners in

Connecting Windsor-Essex continue along the path of developing a technologically "connected community". A community information portal will soon be introduced providing area residents with "one window access" to a broad range of electronic services delivered in our community. Users of the portal will be able to access information on government, health, education, business and industry, tourism and volunteer and service associations, resulting in a more informed and engaged community.

Subsequent to the recent completion of a boundary adjustment between the County of Essex, the Town of Tecumseh and the City of Windsor, the County and the City have undertaken to partner more frequently on matters of mutual interest. There exist a number of emerging initiatives, certain to have a considerable impact on the region as a whole, upon which the County and City have pledged to work collaboratively when dealing with higher orders of government, including the development of both a short and a long term solution to the border crossing issue and the development of an automotive investment strategy. Locally, the County and City are partnering in the implementation of a region-wide physician recruitment project and in an examination of the delivery of economic development and tourism services.

Preparation of the 2004 budget for the County of Essex will no doubt pose a challenge for County Council. Increasingly complex nursing requirements in long term care, rehabilitation, reconstruction and expansion of a countywide arterial road network, development of a service delivery model for land ambulance services and provision of financial commitments to post-secondary and health care institutions are but a few of the interests competing for resources in upcoming budget deliberations. County Council

will remain mindful that providing services within the community, in concert with community expectations, must be measured against the backdrop of the need to maintain taxation levels at responsible and affordable levels.

There will be a number of challenges confronting the County of Essex throughout 2004. Essex County Council embraces the prospect of converting these challenges into opportunities, thereby laying the foundation for a bright and prosperous future for all residents of Essex County.

DAIMLERCHRYSLER CANADA

MARK NORMAN, Chairman and President



Let me start by saying I am honoured to be appointed Chairman and President of DaimlerChrysler Canada. I look forward to being a contributing member of this great community and meeting many of you over the

coming months.

We at DaimlerChrysler Canada continue to be cautiously optimistic about the automotive industry for 2004. Strong product continues to drive our business and in addition to the Dodge Durango launch, we will introduce nine more new Chrysler, Dodge and Jeep® vehicles during 2004.

This product offensive represents significant investment in our Canadian operations. The all-new Chrysler 300 Series and Dodge Magnum will be built at our Brampton (Ontario) Assembly Plant early this year. These exciting

vehicles will offer leading technology, excellent driving dynamics and outstanding value and, yes, available Hemi power.

There is also good news for our Windsor Assembly Plant as well. The Chrysler Pacifica continues to gain momentum in the marketplace. In addition, Windsor employees begin production of the '05 Dodge Grand Caravan and Chrysler Town and Country this month. We've leap-frogged the competition once again with the all new Stow 'n Go seating system which allows the second and third row seats to be folded flat into the floor in less than 30 seconds.

Our product offensive is great news for DaimlerChrysler Canada, our Windsor Assembly employees and our local suppliers. We are proud members of the Windsor/Essex County community and our continuing investments demonstrate our commitment.

RADISSON RIVERFRONT HOTEL WINDSOR

TERRY BEAUCAGE, General Manager

President, Ontario Restaurant and Hotel/Motel Association, Windsor Chapter



As we look toward the future we must first review the past and the present. The last year has been one of turmoil within the hospitality and tourism industry, especially in Windsor.

Tourism is still feeling the effects of 9/11 within different segments. Some groups of people are afraid of traveling across borders of foreign countries including into Canada.

This past year we have seen an almost domino effect with events such as SARS, the war in Iraq, mad cow disease, border congestion and fear of terrorism. These events have stagnated tourism and reversed numbers of visitors to Canada to 1984 levels.

The challenges ahead are dealing with the higher Canadian dollar, looming energy problems including blackouts and higher pricing, a higher minimum wage and province wide smoking regulations.

There are opportunities some portion of payroll taxes are expected to decrease, and the economy in the United States is expected to grow for the final quarter 2003 and into 2004.

The biggest opportunity lies in finding new ways of doing business together. Partnerships make more sense now than ever. The consumer is looking for more value for their dollar and working together will show more convenience and value to the consumer. Our opportunity is to present more value and find a way to get the message to the consumer.

Studies have shown the usage for the internet has grown exponentially over the last three years. People may not be using the internet for purchasing (two out of ten) but rather for research the product, the city, the hotel restaurant before purchasing or making travel plans.

In conclusion, we have survived a difficult time in our business over the last years, our challenge now is find these new opportunities, forge new relationships, let people know that we are open for business.

VALIANT CORPORATION

LEN M. SOLCZ, President

We anticipate economic growth in 2004 to be on an even to moderately improved pace with that recorded in 2003. Accounting for 1/3 of Canada's GDP, a strengthening U.S. economy will enhance Canadian prospects. Companies operating within the automotive sector will continue to face a challenging environment. The impact of a rising Canadian dollar is yet to have its full effect. With only a marginal weakening in the Canadian dollar following expected rate cutting by the Bank of Canada in 2004, companies within the sector will increasingly need to focus on productivity improvements and technological innovation. Offshore competition, particularly from China, will remain a threat to Canadian automotive suppliers who will require a clear strategy to mitigate risk.

WINDSOR CASINO LIMITED

KEVIN LAFORET, President and CEO



It's hard to believe that nearly ten years have passed since commercial casino gaming premiered in Ontario with the opening of Casino Windsor's interim facility. From those early days of long line-ups and the arrival of the Northern

Belle riverboat, the landscape of the industry has changed dramatically. Where once we were the only game in town, competition soon moved in and just a short while later, world events started hitting us right at home. The landscape that was once clear has been scattered with rocky hills and deep valleys over the past three years.

I recently wrote to our employees explaining that the common question “How’s Business?” has become much harder to answer this year. Border issues, world events like SARS, the Iraqi war and the soaring Canadian dollar, have all created a very challenging market.

Each month, we go head to head with the three Detroit casinos in a tough competition for every market share percentage point. Competition will only get more challenging with the plans for new permanent casinos well underway and additional Michigan competition on the horizon

In our area, the casino business is sought and gained based on customer loyalty and the value of the incentives each gaming facility is able to offer. But as of late, our business is also based on such intangibles as perceived border wait times, patriotism, and the impact of a dwindling U.S. dollar exchange rate. These intangibles will remain uncertain in the year ahead, that’s why we’re working hard to offer more marketing programs not only in response to, but in anticipation of customer interest.

While we are optimistic about our future, history has taught us to remain cautious. Casino Windsor will continue to do what we do well, and that is to provide the best gaming experience in the area.

Looking ahead, it will take a combined effort of those in Windsor’s entire hospitality sector to attract more tourists to our area and help grow what has become a stagnant market. Many of the challenges we faced this past year will continue into 2004. Collectively as a community we must remain committed to working together to face these issues as a united front in search of viable solutions.

WINDSOR CONSTRUCTION ASSOCIATION

JIM LYONS, Executive Director



The sight of tower cranes on a metropolitan skyline is always a sign of progress and prosperity,. Over the past decade, this has been the look of Windsor and our region, but unfortunately of late, many of the cranes have been dismantled and

stored away. Hopefully, the crane storage will be short stayed and once again erected to breathe life and realism into our forever needed Multi Use Arena Facility. Or perhaps a timely Casino Expansion or additional riverfront condominiums. Whatever the case, a big part of our construction future remains on paper; waiting for funding or pre-sale to make them a reality.

Aside from this reality, there are bright spots in some of our construction sectors, whereby such plans are becoming tangible, useful facilities ready to service new customers or process more waste water or accommodate more traffic.

So, on a busy to slow sector hierarchy, here is the line up of construction slated for 2004 known at this time.

Topping the activity chart is the Institutional sector, where the west end Armories/Windsor Police Firing Range, are is under construction and the soon to start Huron Lodge (at St. Clair College), as well as the Lou Ramono Water Treatment Plant Phase 1, are all sizeable City of Windsor undertakings, Additionally, the Towers of Tilbury and Tecumseh water treatment plants are also underway and the Windsor side of the Detroit/ Windsor Tunnel is slated to have a \$15 million Mechanical Electrical upgrade.

Contributing significantly to this sector also are the two major school boards, with the Public Board issuing four tenders between \$5.5 million to \$9 million that include the building of new buildings for Campbell, Benson and Begley School and a new Lake-shore School. The Catholic Board has already tendered St. John de Brebeuf school, \$6.6 million and construction continues on the \$7 million Assumption College. Planned for 2004 are the new St. Anne High school (\$29.5 million), J.J. Lasaline (\$2.5 million) and a St.Christopher facelift (\$4.5 million). Wish list projects aside from Casino Windsor expansion and Windsor's new arena include arena desires for LaSalle, Amherstburg, Lakeshore and Essex.

The commercial sector lines up next with a mixed bag of carryover work from 2003, new retail and much retail speculation. Underway is the Income Security Building at City Hall Square, and a new office building on Ouellette near Eugenie. Also in the construction phase is the Lazy Boy Furniture Store and plaza next to the Lighting Boutique, and the new Canadian Tire just south of this plaza. Across the street, Home Sense and Zehrs will soon open in the Retail Power Centre. Performance Ford will complete a phenomenal expansion and new look on Division, while a new Lexus/Toyota Dealership is in the works for Tecumseh Road East, next to Canadian Tire. Devonshire Mall will finally begin the set facade infill project with Marks Work Wear House and Tony Macaroni Restaurant and Applebee's will develop location 2 in the corner rotunda location at Windsor Crossing Premium Outlet Mall. Adjacent to Windsor Crossings, a new regional retail plaza will begin as Phase 1.

Moving to the east, a new retail plaza will be constructed at the Southeast quadrant of Manning Road and Tecumseh. On a speculative basis, Sam Club, Chuckie Cheese and Starbuck's Coffee are scouring the region for suitable sites, and further

major retail plazas on Highway 3 in LaSalle, across from St. Clair College and County Rd. 22 and Manning are being actively marketed for anchor tenants.

Unfortunately, the livelihood of our region, the industrial sector, still sits somewhat idle. While earlier this year rumours of the resurrection for the Chrysler Large Van Plant were rampant however the building is now meeting the wrecking ball. Even more disturbing is the Chrysler Paint Plant Building which was never quite completed and more recently has been rumoured to be considered for dismantling. The bright spot industrially remains the Brighton Beach Power Plant which will continue to consume man-hours to mid summer or so.

Finally, the heavy construction sector falls into place with traditional level spending from the City of Windsor and County on infrastructure. The greatest new potential boost shall be the Ontario Ministry of Transportation spring tender for the first five phases for Highway 401 widening and barrier over the 46 km. stretch from Windsor to Tilbury valued at \$204 million. And let us not forget about the \$300 million pledge for border infrastructure which will hopefully be settled and tendered soon.

In conclusion, we do have a fairly busy slate of work in the institutional and commercial sectors with a combination of current and much planned work activity. The heavy Construction sector should also see a boost in activity, but our mainstay, for the industrial sector is showing no signs of braking out of its slump.

Finally, let's hope our elected officials can forge ahead with some major tourist attractor projects, such as the Multi Use Arena and Casino expansion so we can once again bring on the tower cranes.