

Parkway project's economic impact hasn't lived up to early hype – so far



Janice Phillips is thankful for her employment as a document control officer with Windsor Essex Mobility Group, Friday December 14, 2012. (NICK BRANCACCIO/The Windsor Star)



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Despite sending out resumes across Windsor and sitting through several interviews, Janice Phillips remained out of work for more than six months after she was laid off.

Bills and frustration were mounting for the married mother of two university-age children.

“It was looking really dim for quite a while,” Phillips said.

But then in mid-2011, construction of the \$1.4-billion Herb Gray Parkway and the hiring of workers kicked into gear. Many, like Phillips – desperately unemployed in a city that still retains the nation’s highest unemployment rate – finally secured jobs.

“I did research on the project and knew this was where I want to be,” she said in a recent interview. “The Windsor Essex Mobility Group (the project’s contractor) after the parkway is complete has a contract to operate it for 30 years. I knew it could be something secure for the long term.”

Phillips earned a job in September 2011 as document controller for the massive highway project – described by many as one of the largest road efforts in the nation’s history.

Over the past year, she has worked 40-hour work weeks, plus occasional overtime at a salary she would only describe as exceeding what she made previously at her long-time job before being laid off.

“I was ecstatic, very happy, when I got the job,” she said. “I’m part of something that will be making a difference for Windsor for generations to come. It will completely change the look of our city.”

But more than a year after the parkway project kicked into gear it’s unclear whether the anticipated major economic boom for Windsor through creation of a projected 12,000 direct and indirect jobs connected to the project has become reality.

The city’s unemployment rate of 10.5 per cent remains tops among metropolitan areas in Canada, while the national rate has hit 7.1 per cent, the lowest it’s been in four years. Meanwhile, Windsor’s housing market, retail outlets, hotels and restaurants have experienced what sector officials have described as a minor boost to date.

There have been 3,500 workers trained so far – such as Phillips – to work on jobs related to parkway construction, said Cindy Prince, spokeswoman for the parkway contractors. There are over 500 workers on average each day on the construction site, she said.

The project is slightly more than one-third complete with an expectation it will open to traffic in the fall of 2014. Project officials would not guess this week how many more workers will be hired until then.

“A downtime in this work is not expected and we anticipate that the demand for workers will continue at its present rate,” Prince said.

She said in 2013, “you will see the construction of more bridge and tunnel structures which requires numerous stages and a variety of sub-contractors to build.”

Hotels and restaurants expected to see large business gains from out-of town workers on lengthy overnight stays or newly employed locals eating out more with their families.

Proprietors are very happy the parkway project is unfolding, but business has not exploded as some expected, said Brian Yeomans, chairman of the Ontario Restaurant, Hotel, Motel Association for Windsor-Essex.

“Hotels and restaurants are doing more business with the project here – absolutely,” he said. “We are seeing a more positive impact because of the parkway project.

“I would not say it’s been a big boost. I think everybody had hopes it would be a little better. They talk about 12,000 people being hired. I think it’s a process and we might see more (as the project continues). The bridge is the next big step and (owners) are confident that will make a difference, as well.”

The housing market was supposed to jump with hundreds of out-of-town workers relocating and newly employed local residents with more disposable income.

Local realtor Rick Lescanec said the volume of home purchases or rental requests had been anticipated by some to jump by about 10 per cent directly because of the parkway project, but the lofty expectation has so far not played out.

Much of the jump in local housing transactions was related to the dozens of expropriations in the parkway corridor where residents bought out were in need quickly of new homes, he said.

“Overall, I don’t think it’s quite lived up to the hype,” Lescanec said. “There has been a little bit more activity, but it was mostly in the beginning when people were bought out from the area and had to find replacement homes.

“But we are only one year into it with a few more years to come. There is hope (among realtors) there is more to come.”

The economic windfall connected to the parkway and other border infrastructure initiatives in Windsor should be studied as a long-term venture and not measured by

short-term impacts, said Matt Marchand, president of the Windsor-Essex Regional Chamber of Commerce.

“There is short-term job creation, but this is also about the long-term economic security this infrastructure will provide,” he said. “Our members are very confident going forward they will see an increase as time goes on.”

The biggest beneficiaries among chamber members have been seen suppliers for the project, Marchand said.

“It’s hard to drill down in terms of percentages, but our conversations with people in the supply chains say they are very pleased with the results,” he said. “Some are up double digits (in terms of increased business).”

“Our future prosperity is very much linked to creation of this state-of-the-art border infrastructure. It’s been repeatedly said to be the top priority for the (federal) government. In the end, this will certainly well place Windsor (economically) going forward.”