

WINDSOR-ESSEX REGIONAL Chamber of Commerce

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Prioritize Ontario's Economy in the Federal Budget: Windsor-Essex Regional Chamber of Commerce

Windsor, ON – Today, the Windsor-Essex Regional Chamber of Commerce (WERCC) in partnership with the Ontario Chamber of Commerce (OCC) released its 2016 Federal Pre-Budget Submission, highlighting key priorities the federal government must address in its upcoming budget. This includes using TPP to drive a manufacturing and auto strategy, bridging the skills gap, keeping infrastructure commitments, fixing the broadband gap, address the current inequality in federal spending for economic development, eliminating Ontario's federal fiscal gap and clarifying the small business tax credit.

One of the key recommendations in the report is to use the discussion around the potential ratification of the TPP as an opportunity to develop a targeted and coherent intergovernmental strategy for Ontario's manufacturing sector.

"Only 41 percent of Ontario businesses believe that the TPP will have a positive impact on Canada. This is in part why the WERCC has called for the delay of the TPP parliamentary debate in Canada until after the U.S. federal election. If the TPP does get ratified, we want to have an automotive/manufacturing strategy for Ontario," said WERCC President & CEO Matt Marchand.

In terms of skills mismatch, the report calls on the federal government to revisit the rules around the Labour Market Impact Assessment mechanism to ensure the program fills labour market gaps and the Temporary Foreign Workers Program. "We would also like to see an increase of employer uptake of the Express Entry system," Marchand added. It is estimated that the skills gap costs the Windsor-Essex region approximately \$600 million per year.

The Ontario Chamber Network is also calling on the federal government to address the province's infrastructure deficits through targeted, trade-enabling investment in infrastructure projects that help Ontario firms do business and grow the economy. "The entire Chamber Network has been active in supporting the Gordie Howe International Bridge and will continue to do so," said Marchand.

Broadband access and quality is not just a rural or remote issue – suburban companies report similar issues with connectivity, and 30 percent of all businesses say that telecommunications is a critical infrastructure need in their region. "The WERCC would like to see broadband infrastructure, something that Warden Tom Bain of Essex County has been advocating for through SWIFT (Southwestern Integrated Fibre Technology),

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be realized sooner rather than later as it plays a vital role in economic development for our colleagues in the county,” said Marchand.

The submission also calls on the federal government to work more closely with the Government of Ontario to address the current inequality in federal spending for economic development. FedDev in Southern Ontario, for example, has a budget of \$17.61 on a per capita basis whereas in Quebec the budget is \$37.16.

The Chamber Network is also concerned about the federal deficit and debt levels. “The OCC understands the importance of targeted specific investments in the province, however it is concerning to see the federal debt and deficits growing at such a rapid rate,” said OCC President & CEO Allan O’Dette. “Running a large or long-term deficit is not something that is good for the federal or provincial economy.”

Regarding the proposed small business tax credit, the WERCC looks forward to the government acting on its commitment to reducing small business tax rates from 11 percent to 9 percent.

Results from a survey of OCC members, January 2016, n=853. Results from a survey of 1004 Ontarians conducted on behalf of the OCC by Leger, February 22-25, 2016. The margin of error for this sample is 3.1%, 19 times out of 20.

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