

WINDSOR-ESSEX REGIONAL Chamber of Commerce

MEDIA RELEASE

October 18, 2015

Windsor-Essex Regional Chamber Secures Support for Automotive Czar's Report, Key Local Agricultural and Small Business Issues at Canadian Chamber AGM

Ottawa, ON – The Windsor-Essex Regional Chamber of Commerce secured national support for three important issues to help create and maintain a competitive business environment for automotive manufacturing, agriculture and small business in the region. This took place at the Canadian Chamber's Annual General Meeting, October 17 and 18 in Ottawa, Ontario.

- 1. Capitalizing on Growth Opportunities in Canadian Auto Parts Manufacturing.** With Canada's Auto Czar, Ray Tanguay, now appointed, the Kitchener-Waterloo Chamber, in partnership with the Windsor-Essex Regional Chamber, has asked for a report from the Auto Czar within approximately six months.
- 2. Financial Protection for Canada's Fresh Fruit and Vegetable Industry/Perishable Agricultural Commodities Act (PACA).** Agriculture is the largest or the second largest industry for Ontario. Historically, Canadian and Ontario agriculture businesses have been protected under a long standing preferential access to the U.S. Perishable Agricultural Commodities Act (PACA) guaranteeing protection in case of bankruptcies and when payment issues arise. This preferential access was revoked by the U.S. Department of Agriculture on October 1, 2014. The newly created situation puts Canadian and Ontario agriculture companies at a disadvantage.

Effective as of now, Canadian companies will have to pay twice the amount they are owed to get access to unpaid funds. For example, if a local grower was owed \$50,000 for tomatoes they would have to post a \$100,000 bond in order to make a claim to get their unpaid money. Many small businesses cannot post that kind of money. If they were under PACA they would not have to pay the double bond. Previously, it was only \$100 to start the process under PACA.

The Windsor-Essex Regional Chamber of Commerce recommends that the federal government support the creation of a limited statutory deemed trust that provides financial protection for produce sellers in Canada in the event of bankruptcies. The assets available to trust creditors would be limited specifically to produce accounts receivable, and any cash and inventory from the sale of the produce.

- 3. Road Travel Rebate Incentive Plan (TRIP) for Increased Tourism Revenue.** This is a proposed tax rebate plan that would encourage U.S. residents to visit Canada by offering a 5% rebate (equal to the GST) on purchases made during their trip. It is for travelers passing through land borders. Tourism spending by Americans is down by nearly 33% over the past 10 years or so and this is an opportunity to get that business back.

"This was a very successful AGM for automotive, agriculture sector, small business and the Windsor-Essex Region," said Windsor-Essex Regional Chamber President and CEO, Matt

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Marchand. “We have to grow our agri-food business, tourism and our local economy and these steps will help contribute to the success of our business community.”

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