



Media Release

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SUPPORT FOR MANUFACTURING JOBS FINAL ASSEMBLY IN ONTARIO

The Thunder Bay Chamber of Commerce continues to work with the Province towards a Final Assembly policy for the billion-dollar light rail vehicle contract. “When our tax dollars are being spent on the manufacturing of light rail vehicles we need to understand all of the implications to our province; the manufacturing jobs, the income taxes, countless suppliers, the value of growing our emerging technologies as well as the tax benefits all levels of governments receive,” stated Brian Babcock, Chair of the Board, “All other G8 countries recognize this by employing policies that implement local content in projects that use public funding.”

We support the province in its endeavors to grow manufacturing jobs in Ontario. I commend this government for taking a leadership role by providing a mandatory 25% Canadian content when it comes to publicly funded manufacturing of light rail vehicles. But is it enough? Now, more than ever before, we need the Ontario government to vigorously take the lead in protecting our jobs right here in Ontario. We need to add the “Final Assembly in Ontario” component. Many countries employ government policies encouraging or dictating local content levels. The United States, which represents 90% of the North American passenger rail market, has a Buy America Act, which imposes strict regulations for local content. In the area of manufacturing rail vehicles, they require that 60% of all components used for manufacturing come from the United States as well as final assembly,” stated Mary Long-Irwin, President, Thunder Bay Chamber of Commerce. “Approximately one half of this, the largest North American contract to date, will be paid for by our Provincial tax dollars. We are asking for Final Assembly here in Ontario in addition to the 25% Canadian content. This will benefit all of Ontario and provide jobs in the manufacturing sector. We need the best value for our public dollars.”

Our local MPP Bill Mauro continues to work towards developing policy that will stop the loss of jobs – particularly manufacturing jobs. The devastating job losses that we’ve endured are enough. There is still time before the new \$1.25 billion dollar Toronto Transit Commission’s light-rail vehicle contract is awarded. There is time to for the Province to add a “Final Assembly in Ontario” attachment to the funding for this project. Like many other countries, we would welcome plants from other parts of the world to locate in Ontario and bid on our publicly funded contracts. This would keep Jobs in Ontario. The difference from 25% content to true domestic manufacturing requirements are significant. It means 1,356 jobs rather than 151 jobs, it means \$504 million in economic benefits rather than \$151 million. It means we are working for a stronger province.

Provincial manufacturers and suppliers face an uphill battle when bidding for projects against competitors from other countries. “I am forced to locate my company in the US in order to secure, or even bid, on contracts to manufacture products and I understand because it protects jobs in the States. Why are we not doing the same, asked Rob Bell, Dingwells Machinery & Supply Limited. “This is an

issue that impacts Canadian manufacturers and suppliers nationwide. The businesses that provide jobs and economic impacts in the communities across the country face restrictions when dealing with foreign markets but have no similar considerations when competing for contracts at home. There should be policies in place that encourage use of Ontario-based expertise and provide jobs for our provincial economy”, stated Long-Irwin

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