

*For Immediate Release:
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MEDIA RELEASE

Sensible Measures Will Invest in People

Kitchener, ON – Ontario Finance Minister Dwight Duncan announced the framework for Ontario’s 2008 budget. At the core of the announcement was increased investment toward skills training, an overall reduction in business taxes, and an increase in capital infrastructure.

A pragmatic approach was embraced by the Finance Minister indicating that the provincial government is aware of challenges facing Ontario’s communities including the need for job skills training and support for manufacturers. A total of \$750 million in tax reductions over 4 years will assist manufacturers on competing in global markets. A new export development program for small and medium sized enterprises was also announced.

“The budget announcement today encourages skills upgrading for Ontarians,” commented Todd Letts, President & CEO of the Greater Kitchener Waterloo Chamber of Commerce.

“The retroactive elimination of the Capital Tax and extension of the capital cost allowance by 3 years, are well-timed and will help to reduce the pressures on local manufacturers, keeping them more competitive and keeping jobs in Ontario.”

The budget also included continued investment in the 401 expansion at the Windsor border – a move that is important to Waterloo Region exporters. Waterloo Region employers eagerly await two pending reports on provincial/municipal service delivery and manufacturing.

The provincial government has shown their commitment to improving access to primary health care with an investment of \$53 million for 50 more family health teams in rural and under-served communities, and an additional \$38 million for nurse practitioner-led clinics, among other initiatives.

The Chamber’s post-budget summary matrix is attached and can be found under News & Media Releases at www.greaterkwchamber.com.

With over 1900 members, the Greater Kitchener Waterloo Chamber of Commerce is the largest accredited chamber of commerce in Ontario. The Chamber is dedicated to enterprise productivity and regional prosperity. Since 1886, it has been the voice of business in greater Kitchener Waterloo.

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<i>What We Asked For . . .</i> <i>(Overview of Key Chamber Advocacy Recommendations)</i>	What We Got . . . (Items in the 2008 Ontario Budget)		What It Means To You . . .
<i>Recommendations for Economic Prosperity</i>			
<p>Corporate Tax Reductions</p> <ul style="list-style-type: none"> ▪ A decrease in the general corporate tax rate to 8 per cent for Ontario businesses 	A	<ul style="list-style-type: none"> ▪ The Ontario Capital Tax is eliminated retroactive to January 1, 2007 for manufacturing and resource firms, providing \$190 million in rebates ▪ A 10-year Ontario income tax exemption for new corporations that commercialize intellectual property developed by qualifying Canadian universities, colleges or research institutes ▪ No tax increases 	<ul style="list-style-type: none"> ▪ Our Chamber was a strong advocate for the removal of the Capital Tax on manufacturers. Providing a retroactive elimination to 2007 will provide local operations with additional revenue for new investments in innovation and skills training
<p>Healthcare / Physician Recruitment</p> <ul style="list-style-type: none"> ▪ The provincial government should commence an extensive and wide-ranging review of the Under-served Area Program (UAP), the primary initiative for attracting family doctors to communities experiencing shortages ▪ The province should immediately recalibrate the existing formula to determine under-served area designations by excluding doctors in teaching and specialist capacities 	C	<ul style="list-style-type: none"> ▪ \$53 million over the next three years for 50 more Family Health Teams by 2011-12 ▪ \$90 million will be invested to support full-time employment opportunities for nursing graduates 	<ul style="list-style-type: none"> ▪ The recruitment of family doctors remains a priority for the local business sector and other Waterloo Region stakeholders. Revisions to the Under-served Area Program are critical for placing Kitchener Waterloo on a level playing field ▪ The proposed measures will increase access to primary care across Ontario

<p>Investment in Human Capital</p> <ul style="list-style-type: none"> ▪ Funding should be allocated for the proposed expansion of Conestoga College. This expansion is critical to address current and future skills shortages for employers throughout Waterloo Region 	<p>B</p>	<ul style="list-style-type: none"> ▪ A three year, \$1.5 billion investment in the Skills to Jobs Action Plan ▪ \$355 million over three years for a new Second Career Strategy to assist unemployed workers move into new opportunities in emerging growth areas. The Second Career Strategy will also provide \$25,000 on tuition and living allowances for a manufacturing worker transitioning to a skilled trade ▪ \$10 million to the University of Waterloo at Stratford for a new digital media institute and convergence centre 	<ul style="list-style-type: none"> ▪ The new funding will assist Waterloo Region employers in securing qualified workers to meet future demands, along with assistance for displaced manufacturing sector employees
<p>Infrastructure Deficit / Municipal /Provincial Funding Gap</p> <ul style="list-style-type: none"> ▪ Funding is required to address the escalating infrastructure deficit ▪ Following completion of <i>The Provincial-Municipal Fiscal and Service Delivery Review</i>, all relevant legislation and regulations should be enacted within twelve months ▪ Municipal taxation authority should not be expanded 	<p>B</p>	<ul style="list-style-type: none"> ▪ \$1 billion in new funding for municipal infrastructure (previously announced) ▪ Ontario will fully fund its share of the final proposed link between Highway 401 and a new Windsor border crossing 	<ul style="list-style-type: none"> ▪ The business and municipal sector anticipate major proposals for funding municipal services originating from <i>The Provincial and Municipal Fiscal and Service Delivery Review</i> ▪ As Waterloo Region businesses become increasingly dependent on export markets, improved border infrastructure is critical

Legend:

- A – Issues were well addressed
- B – Issues were relatively well addressed, with some room for improvement
- C – Issues were not well addressed
- D – Issues were not addressed
- F – Poor choices made