

June 6, 2011

The Honourable Kathleen Wynne  
Minister of Transportation  
3<sup>rd</sup> Floor, Ferguson Block  
77 Wellesley Street West  
Toronto, Ontario M7A 1Z8

**RE: Draft Transportation Development Strategies – Niagara-GTA Corridor and GTA West**

Dear Minister Wynne,

The Ontario Chamber of Commerce (OCC) is a federation of 160 local chambers of commerce and boards of trade in the Province of Ontario, representing 60,000 businesses of all sizes, in all economic sectors covering every area of the province. The OCC's mandate is to advocate strong and effective policies on issues that affect its membership throughout Ontario's business community.

The OCC strongly supports the Ministry's efforts to support Ontario's economic development through the provision of "significant additional transportation capacity" in the Niagara Peninsula region. This region is strategically located within South Central Ontario, acting as an international trade and tourism gateway between the United States, Southwestern Ontario, and the Greater Toronto Area (GTA). Some 120 million people and major industrial markets in Ontario and neighbouring states in the US lie within 500 kilometers of the Niagara-GTA (NGTA) region. With the Niagara frontier accounting for 16 percent of total Canada-US trade, efficient international trade and goods movement through the Niagara Peninsula into Canada's economic heartland is fundamental to trade, tourism and economic growth in Central Ontario, the province, and the country.

As population and employment grow in the Niagara-GTA area and surrounding municipalities, levels of traffic congestion on existing highways will outpace the availability of transportation infrastructure. The draft Niagara-GTA Transportation Development Strategy indicates that the demand for travel will exceed the capacity of the existing regional transportation system by 2031. The results would be increased congestion, higher fuel consumption and air pollution, and a lower quality of life.

Ontario's government cannot afford to be complacent in the midst of this challenge. Ontario's transportation infrastructure deficit has been widely publicized by influential organizations such as the Organization for Economic Cooperation and Development (OECD) and the Toronto Board of Trade. The OECD estimates that underinvestment in transportation infrastructure in the GTA alone costs the Canadian economy \$3.3 billion a year in lost productivity. The Toronto Board of Trade estimates the cost for the larger region including Hamilton at approximately \$6 billion.

In 2007, Wilbur Smith Associates, an internationally respected transportation and economic consulting firm, completed an independent study commissioned by the Niagara Economic Development Corporation, Niagara Region, and the City of Hamilton. The study concluded that the creation of a new NGTA transportation corridor with connections to the West, North, and East would ensure the reliability and predictability of Ontario's transportation services through completion of a multi-modal transportation system serving all regions of the province.

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The draft NGTA Transportation Development Strategy presents a number of possible options for meeting the transportation needs of the region. The OCC was disappointed to learn that the creation a new transportation corridor connecting Welland to the GTA is not among the Ministry's short-term options. Instead, the Ministry has proposed a hybrid alternative consisting of widening existing corridors and constructing a new corridor between Highway 406 and the QEW in the East end of the study area. Although the draft study recognizes the need for a new corridor connecting the 403 to the 407 in the Western portion of the region, the only substantive commitment in the report is to commence a review of traffic operations on Highway 403 in order to identify possible "short-term operational improvements". Meanwhile, the report explicitly rules out any short-term preparations for the construction of a new corridor between Welland and Hamilton before 2031.

The OCC is concerned that the government's proposed alternative overlooks a number of key considerations that would significantly alter the cost-benefit analysis. Broadly speaking, while the OCC supports the government's efforts to engage municipalities, agencies, and interest groups from the affected regions, limiting the scope of the analysis to the local level has the potential to distort the overall impact of the various alternatives to Ontario's economy.

Ontario is a vast province with diverse urban and rural communities that face a variety of transportation challenges related to economic activity, population levels, growth rates, and physical and natural conditions. The ability to move goods and people efficiently across Ontario-US borders and the province is critical to investment and growth in Ontario. Many of Ontario's peer jurisdictions have recognized the importance of an integrated approach to Transportation planning through the development of state-wide, long-range transportation plans. Ontario has taken a preliminary step in this direction through initiating a goods movement study to assess current and future transportation infrastructure needs. The OCC has urged the province to build on this initiative through the expeditious completion of a comprehensive, province-wide goods and people movement study. A comprehensive study would allow the government to identify the policy, infrastructure, and regulatory interventions required to capitalize on Ontario's extensive network of road, rail, marine and airport facilities through a province-wide, multi-modal Long-Range Transportation Plan benefiting all sectors and regions of Ontario.

At the local level, the proposed piecemeal approach has the potential to undermine some of the benefits of a Peninsula-wide corridor to adjacent and outlying communities. The Hamilton region is located directly within the Eastern portion of the study area, and, with one of the region's fastest-growing populations/economies, arguably stands to benefit the most from the new project. However, the Hamilton Chamber of Commerce has identified a number of shortfalls in the government's proposed approach, for example:

- The development of new corridors exclusively in the East and potentially West areas fails to capture the end bottleneck result that would occur in the Central Area.
- In line with this reasoning, the study recognizes that the Central Area is without a redundant roadway to handle congestion or closures. Given that the proposed widening of the QEW will inevitably result in lane reductions while construction takes place, traffic will have no viable alternative other than to travel on rural roads not designed to manage the increased load. Resulting traffic disruptions would have significant medium-term impacts on Hamilton and surrounding economies. Construction of a new corridor in the Central area would have no negative impacts on current congestion levels, and would offer a much needed redundant route when completed.

- The draft study acknowledges that a new corridor through the Central Area would better service the economic development areas surrounding Niagara and Hamilton. The Draft Strategy estimates the net benefits at 10,600 new jobs and \$0.9 billion in new economic activity. However, this assessment downplays the significant socio-economic gain to the Greater Golden Horseshoe region that would result from a new corridor passing through the two new business parks in Hamilton's Airport Employment Growth District. Completion of the Central section of the corridor would support Hamilton's plans to foster new growth and employment in an area vital to the region's economic renewal. In turn, new jobs would generate population growth; new business development; a shift in the tax burden from the residential to the commercial base; and a multitude of additional commercial growth opportunities. In line with this logic, the 2007 Wilbur Smith report suggests that up to 100,000 new jobs and \$3 Billion in new economic activity would result from the creation of a new mid-Peninsula roadway.

These concerns reveal that the piecemeal approach advanced by the draft Strategy does not fully take into account the economic rationale for a more concrete and complete alternative as favoured by adjacent and outlying communities. Given that infrastructure investments in the Niagara-GTA region have implications for many communities beyond the study area, it is imperative that the Ministry of Transportation act on the basis of an integrated, evidence-based approach which is situated within a broader, province-wide transportation strategy. In anticipating the future needs of affected communities, the government must incorporate planning and investment activities over a long-term time horizon of at least 30 years, and must incorporate all communities with links to the region, including Brantford, Cambridge, Guelph, Kitchener-Waterloo and Milton.

Given the massive lost output to the provincial economy due to the inadequacy of existing transportation infrastructure, the Ontario Chamber of Commerce believes that the planning for a long-term, multi-modal transportation network, complete with a new NGTA corridor, should begin immediately in order to mitigate existing and unforeseen delays to the efficient movement of goods and people within the province. To this end, the OCC recommends that the government of Ontario:

- 1) Acknowledge the strategic importance of the NGTA corridor to the creation of an integrated, multi-modal transportation network through immediately commencing with a long-term (30 year) plan for the region. The plan should be based on an economic development vision articulated through coordination and consultation with all affected communities (including Brantford, Cambridge, Guelph, Kitchener-Waterloo and Milton) and should be integrated with a province-wide long-range Transportation Plan.
- 2) Construct the NGTA Corridor project in two stages:
  - a) include the Niagara Frontier-Hamilton portion of the Corridor in the planning stage of the proposed infrastructure and transit improvements and commence with the construction of stage one as soon as possible; and
  - b) concurrently with the implementation of stage one, begin an integrated impact assessment using a 30 year time line for the Hamilton to 401/407 portion and all West-, North-, and Eastward connections.
- 3) Engage business leaders and other representative groups including municipal planners and other levels of government to ensure that the broader community supports the long-term regional transportation strategy. In consulting the business community, consideration must be given to rail, truck, air, and marine transportation representatives, to create an overall multi-modal transportation strategy.
- 4) Address early designations and protection of future transportation corridors to ensure availability for future acquisitions.

Thank you for taking the time to review our concerns. If you have any questions or comments, you may direct your staff to contact Angie Brennan, Vice President Policy and Government Relations, at (416)-482-5222 ext. 232 or [angiebrennan@occ.on.ca](mailto:angiebrennan@occ.on.ca).

Yours sincerely,



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