

August 22, 2012

The Honourable Brad Duguid  
Minister of Economic Development and Innovation  
8<sup>th</sup> Floor, Hearst Block  
900 Bay Street  
Toronto, Ontario M7A 2E1

**Subject: Support for Ontario's Regional Economic Development Funds**

Dear Minister Duguid:

On behalf of the Ontario Chamber of Commerce and its 60,000 members, we are writing to encourage the government to pass Bill 11, the *Attracting Investment and Creating Jobs Act*. The Act will make the Eastern Ontario Development Fund permanent and establish the Southwestern Ontario Development Fund as a regional economic development program.

These funds are essential to improving Ontario's business competitiveness. The global economic downturn has accelerated the need to identify a new economic path for the 21st century. Many Ontarians are concerned about the future of their businesses, families, and livelihoods.

The challenges Ontario's businesses face have been well documented: the recent global recession has created job losses here at home; the high Canadian dollar has put a dent in our manufacturing industry's output; and low wage jobs overseas have put Ontario at a competitive disadvantage.

In spite of these challenges, Ontarians have weathered the storm with remarkable resilience. The province has recovered the jobs it lost during the recession and our province and country stand on more solid ground than many of our competitors.

The recovery, however, remains fragile. Now is the time to make strategic investments that can catapult Ontario's businesses, particularly those of the small-to-medium size variety, to the next level.

It is with the fragility of Ontario's recovery in mind that we strongly support Bill 11, the *Attracting Investment and Creating Jobs Act*. We believe that the regional economic development funds it establishes will continue to help small businesses compete in an increasingly competitive global economy. These funds will allow small businesses to hire new employees, make their operations more efficient and increase their productivity.

Since its creation in 2008, the Eastern Ontario Development Fund has helped support the attraction and retention of employment and investment in Eastern Ontario. The fund has leveraged nearly \$500 million in private sector investment through roughly \$57.7 in spending.

Much like its eastern counterpart, the Southwestern Ontario Development Fund will help businesses support the attraction and retention of employment and investment. Its creation is necessary to address the particular challenges faced by communities in Southwestern Ontario. Local businesses have been very clear on the matter: they are eager to see the fund established.

Given that the total yearly cost for the funds will be \$40 million (\$20 million for the Eastern Fund and \$20 million for the Southwestern fund), and given the success of the Eastern Ontario Development Fund, we believe the investments are very well placed.

In order to ensure that the funds provide a direct financial support to small and medium-sized enterprises in all industries, we ask that the government establish a seamless, metrics-based, and user-friendly application process for funding.

I would welcome the opportunity to meet with you to discuss this matter further.

Thank you very much for your consideration of this very important issue.

Yours sincerely,

Allan O'Dette  
President & CEO

CC. The Honourable Dalton McGuinty, Premier of Ontario  
Peter Wallace, Secretary of the Cabinet