

October 24, 2007

**ECONOMIC DEVELOPMENT COMMITTEE:**

City Council on October 22 and 23, 2007, referred the following Motion to the Economic Development Committee:

**M157 Manufacturing Matters to Toronto**

*Moved by Councillor Augimeri, seconded by Councillor Rae*

**SUMMARY:**

Canada's manufacturing sector is a critical part of the national economy: it is highly productive, generates the highest value-added in the economy compared to all other economic sectors, accounts for two-thirds of our nation's total exports and funds three-quarters of all private sector research.

Over the last five years, Canada has suffered a quarter million manufacturing job losses, across a diverse range of sectors including: auto assembly, auto parts, food and beverage, fish processing, shipbuilding, electronics, electrical, rubber, plastics, steel, wood, paper, metal and general manufacturing.

These job losses are the result of permanent and indefinite layoffs of workers, bankruptcies and plant closures, workplace downsizing, work relocation and production off-shoring to countries both within North America (*United States and Mexico*) and internationally.

The loss of manufacturing jobs has devastated workers, families and communities from coast to coast, and restricts the amount of quality job prospects for our children and grandchildren.

The loss of manufacturing jobs has placed an added financial strain on municipal governments to deliver increased demands for social services at the local level. At the same time, they are experiencing a shrinking tax base.

The lack of federal government attention to the critical issues of unfair trade and markets closed to Canadian goods, the persistently high Canadian dollar, the de-industrialization of Canada's economy and its associated impact, investment strategy, public procurement policies and inadequate protection for workers has resulted in a crisis for Canadian manufacturing workers.

## **RECOMMENDATIONS:**

1. That Toronto City Council, on behalf of City residents, call on the Federal Government to take action in addressing the impact of manufacturing job loss in the Toronto region and in other communities across Canada by:
  - a. identifying the manufacturing industry as a strategic sector in Canada's economic development;
  - b. undertaking a comprehensive review of the causes and consequences of manufacturing job loss;
  - c. establishing a sectoral task force to review ways Canada can strengthen the manufacturing sector;
  - d. adopting a comprehensive and integrated set of economic, fiscal and monetary policies - a framework for fair trade that will both strengthen domestic manufacturing and protect manufacturing jobs; and
  - e. ensuring that all Canadian workers are protected in job loss, through the improvement of bankruptcy laws, wage protection, pension protection, transition programs, improved training and relocation programs and enhanced Employment Insurance benefits.
2. That the City Clerk be directed to forward this Resolution to the Federation of Canadian Municipalities for consideration.

for City Clerk

M. Toft/cd