



Michael Thompson

Chair, Economic Development
and Culture Committee

Toronto City Councillor
Scarborough Centre, Ward 37

February 20, 2015

To: Members of the Budget Committee

Re: Agenda Item BU5.1

Dear Colleagues:

I will not be able to attend today's Budget Committee meeting to speak to Motion #2. I support this motion and encourage you to consider the need for Toronto to be competitive in the services we provide to businesses.

Manufacturing in Toronto is facing intense competition from not only the GTA, but the US and globally. Investment decisions for many of our industrial companies are made outside Canada, and indeed we are seeking to attract Foreign Direct Investment in order to meet our job growth targets. As our population grows, we must keep pace with the growth in employment opportunities. This is of particular importance to our youth, many of whom are unemployed or under-employed.

Toronto must be competitive if we are to retain and attract this investment and these jobs.

Our manufacturing base is particularly important due to the well-paying jobs, the property tax assessment that pays for a significant proportion of residential services and the water revenue generated by our large water users. Manufacturing also creates indirect jobs at a much higher rate than other sectors.

These considerations were behind Council's decisions to offer a Block 2 Water Rate for large water users. Even with the implementation of the Block 2 rate, water costs for these large contributors to our water revenue have increased at more than four times the rate of inflation over the past 10 years.

These companies have many cost pressures as well as relocation options, so it is essential and urgent that we know our competitive position prior to adding more costs to industry. Please support the economic well being of our community by supporting this motion.

Yours truly,

Michael Thompson
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Councillor, Scarborough Centre
Ward 37

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