



Update – Report on Manufacturing in Niagara

Prepared by:

Kithio Mwanzia

Policy Coordinator

St. Catharines-Thorold Chamber of
Commerce

Update

The St. Catharines – Thorold Chamber of Commerce in its commitment to the growth and preservation of the manufacturing industry in Niagara released the *Report on Manufacturing in Niagara*. On Friday November 23rd, the Federal Minister of Finance announced that there will be relief for Canada's manufacturing industry that will be announced in the Federal Budget 2008.¹ We reiterate our position and that relief for the manufacturing industry must include the following measures:

- The federal government provides targeted incentives for 'green' technology research and development in the manufacturing sector.
- The federal government seriously considers and implements regulatory measures to assist manufacturing. Due to global influences on the Canadian dollar it will be pivotal for the federal government to assist in the transition and capitalize on the high dollar and new wealth in other sectors to create high value added products and produce healthy profits that will translate to industry growth.
- The federal government examines current procurement policy as well as existing trade agreements with the aim of encouraging the purchase of more Canadian manufactured products for government operations.
- Tax measures:
 1. Allow 100% tax write-off for depreciated capital machinery for manufacturers within 5 years.
 2. Provide tax incentive for cooperative efforts between manufacturers.
 3. Provide tax credits to Canadian firms that buy Canadian manufactured products.
- The federal government pays specific attention to sector specific disadvantages that occur as a result of trade agreements. The Chamber recommends that the federal government negotiate trade agreements that reflect environmental standards, labour laws, and other regulations that are mandated in Canada as a means to create competitive parity between trading partners.

¹ <http://ca.news.finance.yahoo.com/print%2Fs%2F23112007%2F2%2Fbiz-finance-flaherty-mulls-budget-relief-manufacturers-won-t-touch.html>