



City of Guelph Budget

Delegation Night

Wednesday February 20, 2019

President & CEO Speech

Good evening Mayor Guthrie, City Councillors, and members of city staff. My name is Kithio Mwanzia and I am the President & CEO of the Guelph Chamber of Commerce. We are pleased to be here today to offer the business voice and to play an active role as a dynamic solutions provider so as to build a stronger more robust economy and community here in Guelph. To that end we have been following the budget process closely.

The Guelph Chamber of Commerce is a member driven organization with approximately 900 members representing more than 30,000 employees. We have received the National Accreditation with Distinction and are proud to be the champion of the business community here in Guelph. It is our Mission to set the national standard for building community prosperity.

Tonight's presentation has been informed not only by that Mission but by the Chamber's research and consultation with businesses of all sizes and business professionals with backgrounds in finance, accounting and business management. In addition, it has been informed by the robust commentary from our Economic Leadership Forums, the City's Business Retention Survey, on which we are a key partners, Roundtables and input we have heard at the Regional Economic Summit last year.

Cities are important economic enablers and it is incumbent on this council to embrace the role it plays in creating a competitive environment in which local businesses can grow and succeed.

In a recent Business Confidence Survey—62% of businesses in Ontario indicated they are not confident about the economic outlook of the province due to the high price of inputs such as business costs which include property taxes.

It is with this in mind that the Chamber is recommending the following for consideration:

- 1. It is concerning that this year's budget proposal comes in at almost twice the rate of inflation. Governments at all levels are re-doubling their efforts to provide relief for small-and-medium sized enterprise. As a City it is important to ensure this momentum is not stifled by passing a budget that would raise property taxes nearly double the rate of inflation. While successive City budgets have not been able to remain within the rate of inflation due to one-time policy changes like the introduction of the infrastructure tax, the introduction of volume-based fees on water and wastewater, and a proposed increase in development charges.**

None of these cost increases live in isolation and disproportionately impact job creators in our community. It is important now to examine closely the overall cost of doing business in Guelph and the City's role in ensuring Guelph remain a competitive place to do business vis-a-vie property taxes.

There are a number of policy tools available to this Council to ensure that this year's budget is an inflation budget, these include:

- Monies made available via increased assessment**
- Monies made available via successive budget surpluses.**
- Monies made available via savings from conducted service reviews.**

- **Monies made available via dividend from our energy utility.**

2. As we stated in our presentation last year, workforce mobility plays an important role in the ability for a community to remain competitive, ensure sustained robust growth and talent attraction. Transit is an important part of the eco-system of competitiveness and plays a valuable role when it comes to business and economic development decision-making. The Chamber was pleased to see a thorough transit review conducted as we had recommended.

The Chamber is recommending that the city proceed with the advice the report provided and continue to offer greater consideration for the connection of Guelph's industrial and manufacturing areas as part of an evolved and modernized model.

As the City implements the recommended changes, it must ensure that all service delivery efficiency options and technologies are considered including private sector solutions.

Bolstering our local transit only further strengthens our advocacy efforts by both the City and Chamber for all-day-two-way GO Transit and how optimizing local transit and connectivity can further strengthen that case.

As a Chamber of Commerce, we believe in Cities and their ability to leverage the tools at their disposal to ensure that they remain competitive attractors of jobs. By 2025, cities of our size around the globe combined, will contribute more than half of global growth. This will not happen by chance, it can only happen if the right environment exists to bolster private sector growth and job creation. For us to continue to be Canada's Jobs Powerhouse we must respond effectively to the needs of businesses and their ability to get their teams to work, appropriately manage business costs vis-a-vie property taxes and attract top talent to homes they can afford to live in.

The decisions made on budget in the coming weeks will play an important role in creating an environment that attracts business investment and fosters a stronger and more prosperous local economy.

Thank you again for providing the Chamber with the opportunity to speak this evening, and I look forward to your questions.