

May 30, 2005

Finance Minister Greg Sorbara

Dear Minister

In 1992 when Bombardier purchased UTDC from the Province of Ontario, there was a need to make some significant investments to modernize the plant and invest in new technology and a skilled workforce. Bombardier did that by investing some \$55 million in Thunder Bay alone. Bombardier has approximately 400 people currently working to produce rail cars for a variety of transit authorities abroad. In fact more than half of the products produced are for export.

Notwithstanding the success abroad, it is recognized that if there is to be ongoing success of the plant in Thunder Bay, there needs to be solid order intake from Ontario. Accordingly the government of Ontario committed that Bombardier would produce, at its Ontario facilities, the rail cars Ontario purchased. The awarding of Toronto and Ottawa car orders to Bombardier is critical to the City of Thunder Bay and Bombardier's current and future workforce in the City. These orders are valuable to Bombardier continuing to upgrade and expand its product lines into the future, to take advantage of further export opportunities based on domestic experience. Unfortunately, the current work for the plant will be completed by April 2006, resulting in major lay-offs if no further orders are received.

If the Province chooses to continue to commit to the rail cars it purchases to be produced by Bombardier, the current employee base would increase to nearly 1,000 employees with a payroll in excess of \$40 million. This would mean huge tax revenues for the Provincial and the Federal Governments. In addition there would be another \$1.2 million in Bombardier-paid municipal taxes.

The Board of Directors for the Thunder Bay Chamber of Commerce, are asking you to continue the commitment to purchase rail cars that are produced in Ontario. The Province can be assured that contracts will continue to be fully transparent by providing proof of competitive prices, quality products, on time delivery and appropriate after delivery service. Bombardier is not asking for any sort of exclusivity that it doesn't face in other markets, for example, in the U. S. a "Buy America" policy requires transportation agencies to buy American-manufactured products. Ontario should be acting no differently than other markets in promoting their own technologies.

We urge you to support this issue as it benefits Ontario and its taxpayers.
I remain,

Mary Long-Irwin
President