

Tax cuts, stable funding

BY HAROLD CARMICHAEL
The Sudbury Star

Locals outline wish list — and hope Queen's Park listens

While provincial and federal politicians exchanged insults before it's even tabled, the chair of the Greater Sudbury Chamber of Commerce said Monday she hopes today's provincial budget can address a lot of needs.

"We would like to see more money for businesses to train apprentices and co-op placements," said Cynthia MacKenzie.

"We would like to see some tax cuts for business ... in general. We would like to see more money for infrastructure for the city to repair roads and deal with infrastructure issues coming up."

"And it goes without saying we would like more money

for health and education."

Ontario Finance Minister Dwight Duncan will unveil his 2008 Ontario Budget this afternoon at Queen's Park.

Ward 8 Coun. Ted Callaghan, a veteran city councillor and chairman of the city's finance committee, wants two areas addressed in the budget: help for the province's beleaguered manufacturing industry and guaranteed provincial funding for Northern Ontario.

"In order for us to be strong here in Northern Ontario, in order to provide for what we need in our economy in Northern Ontario, we need a strong

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Coun. Ted Callaghan

economy in southern Ontario," said Callaghan. "The general economy down south, the manufacturing sector, it's going south.

"When you tie this in with what is happening in the States, it's not good."

One way to help Ontario's manufacturing sector, said Callaghan, would be to lower business taxes, which are among the highest in the country.

Callaghan also wants stable funding from the province to municipalities, so municipalities can plan better.

He said the Northern Support Grant has gone through a multitude of name and content changes in recent years, taking on new names such as the Community Reinvestment Fund and Ontario Partnership Fund. And often, one-time funding

is involved.

"Every time the change comes in, it seems the North suffers because of the change," Callaghan said. "All we want is set funding for addressing the problems we have in Northern Ontario. We need sustainable provincial funding."

For his part, Duncan said Tuesday the double whammy of slow economic growth and a strong Canadian dollar will be combated in Tuesday's Ontario budget by focusing on retraining the province's unemployed and reducing the cost of doing business.

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Facing calls from a Conservative federal government to cut business taxes while New Democrats in the provincial legislature call for increased spending, Duncan said the budget will invest strategically in job retraining and improving the province's infrastructure.

Ontario needs to help unemployed workers develop the skills to build a new career and help replace the "huge" number of retirees in the coming years, Duncan said after visiting a carpentry lab Monday at George Brown College in Toronto.

"At this time, when we are experiencing challenges in some sectors, we also have a shortage of skills in others," he said.

"You're going to see a real emphasis on skills training and linking skills to jobs in (Tuesday's) budget. We see that as part of the proper response to the challenges facing Ontario today."

Premier Dalton McGuinty has already announced the province will be spending \$1 billion on municipal infrastructure while promising \$267 million to upgrade public housing, give low-income families a dental care plan and put nutritious snacks in schools.

The Liberals have introduced legislation that allows part of the annual surplus to be spent on improving roads, bridges and public transit rather than applying all of it to reducing the debt.

Although the government's throne speech focused on poverty and improving relations with First Nations, Liberal sources say this budget's primary focus will be about battling the slowing economy by investing in both people and crumbling infrastructure.

"A year ago right now, not a single economist was predicting the dollar would be at par," Duncan said.

"The price of oil — over \$100 U.S. a barrel, nobody predicted that. The current state of the U.S. economy — nobody predicted those. We believe you need a balanced and pragmatic response."

The budget will be built on "prudent" growth and revenue projections, as well as a "healthy reserve," Duncan said.

With files from CP

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