

# **Written Submission for the Pre-Budget Consultations in Advance of the 2019 Budget**

**Prepared by:**



For more information please contact:  
Jason Tamming  
Director, Strategic Communications & Public Affairs  
Niagara Region  
905 980 6000 ext 3371  
[Jason.tamming@niagararegion.ca](mailto:Jason.tamming@niagararegion.ca)

## **Recommendations:**

1. National Economic Trade Corridor designation awarded to Niagara Region
2. Infrastructure funding to improve and facilitate flow of goods across the border

### ***Niagara is critical to the economic performance of Canada***

The trade that flows across Niagara's borders totals well over \$100 billion and is responsible for supporting hundreds of thousands of jobs across Canada and the United States. As one of the busiest corridors in the country, Niagara's trade infrastructure includes five international bridges that facilitate the flow of goods by truck and rail, as well as the unique Welland Canal, part of the Great Lakes St. Lawrence Seaway System. Niagara's trade corridor plays a critical role in the national economy.

- Within an 800 km radius of Niagara, there is access (within a day's drive) to two provinces and nine states, 130 million people, and a total 2015 GDP of CAD \$7,543.4 trillion.
- Niagara is 1 of 3 major economic corridors within this our major bi-national regions: Windsor-Detroit, Niagara-Buffalo, and Sarnia-Port Huron. Among these corridors, Niagara is ranked #1 in terms of people and vehicular traffic, and #2 in terms of overall value of goods crossing the border.
- In 2015, 947,230 trucks crossed between the United States and Canada via Niagara borders. This is 16.4% of all truck crossings between the United States and Canada.
- In 2015, 84,280 loaded trains crossed between the United States and Canada via Niagara borders. This is 5.2% of all loaded train containers crossing between the United States and Canada.
- Total United States/Canada trade that crossed through Niagara borders in 2015 was CAD \$105.4 billion: \$49.1 billion were exports and \$56.3 billion were imports. This represent 13.6% of total United States/Canada good traded, 12.4% of all goods exported to the United States, and 15.0% of all goods imported to Canada.
- 785 of total tonnage on the Great Lakes St. Lawrence Seaway System passed through the Welland Canal in 2015. The economic activity generated by the Welland Canal in Niagara alone was \$276.2 billion and thousands of direct and indirect jobs.

### ***Niagara is an important hub the Canada/U.S.A. trade relationship***

The trade relationship between Canada and the United States is ultimately dependent on strategically located transportation and trade hubs that help facilitate the flow of goods, services and people between the two countries. The economies of both countries are intrinsically linked.

Canada and the United States supply chains are highly integrated with manufacturing plants, warehouses and distribution centres situated on either side of the border. In 2015, 83.3% of this integrated trade was transported via land modes between Canada and the United States, and 98.8% was transported via land mode through Niagara

border crossings. Just-in-time supply chains demand meeting tight schedules, so the ability to move goods and services across the border efficiently is essential.

In regards to bi-national economic activity, Niagara is located centrally in an economic mega-region that accounts for a massive portion of economic activity in both Canada and the United States. For instance, within an 800 km radius of Niagara, there is access (within a day's drive) to two provinces and nine states, 130 million people, and a total 2015 GDP of CAD \$7.543 trillion.

### ***Multimodal Transportation***

Niagara's multimodal transportation infrastructure is also critical in facilitating trade with the United States. Niagara is host to transportation infrastructure such as four 400 series highways; (QEW, 405, 406, 420) two Class 1 railroads, CN and CP, a short-line rail, Trillium Railway, Niagara District Airport, as well as the Welland Canal providing access to marine freight transportation. This infrastructure supports the bi-national trade that passes through Niagara, which is a significant portion of total trade between Canada and the United States.

Truck freight is by far the most used mode for transporting freight between Canada and the United States, 947,000 trucks crossed Niagara borders both ways in 2015. This is 16.3% of all truck crossing, both ways, between Canada and the United States. Of these trucks, 652,000 were loaded with freight, meaning that 68.8% of all trucks crossing in Niagara, both ways were delivering product to market.

However, rail transit counts for a significant portion of freight transportation, with 2,364 trains and 118,000 rail containers crossing both ways between Canada and the United States at Niagara borders in 2015. Over 71% of these containers were loaded with freight. This represented 5.23% of all loaded train container crossings between Canada and the United States that year.

### ***Niagara's Transportation Master Plan***

To maximize the potential and opportunities for growth currently underway in the Niagara Region, a Transportation Master Plan (TMP) was approved by Regional Council on July 20, 2017. The purpose of the TMP is to present a long-term strategy to guide the planning, development, renewal and maintenance of a multi-modal transportation system in a manner that is consistent with projected needs, and aligned with the region's growth and with the overall vision for a sustainable Niagara Region.

Specific to the Comprehensive Project Proposal submission, the TMP identified that a Niagara-Hamilton Trade Corridor (Fig. 1) that connects Niagara Region from Fort Erie to Hamilton in the vicinity of Hamilton International Airport/Highway 403 is required to

address the immediate and longer term demands of moving goods in and through the Niagara Region as an alternate route to the congested QEW corridor.

The corridor will assist with Canada's economic competitiveness by alleviating capacity constraints in the provincial highway system and providing commercial vehicles with alternate routes to access the South Niagara industrial area or the Peace Bridge international border crossing.

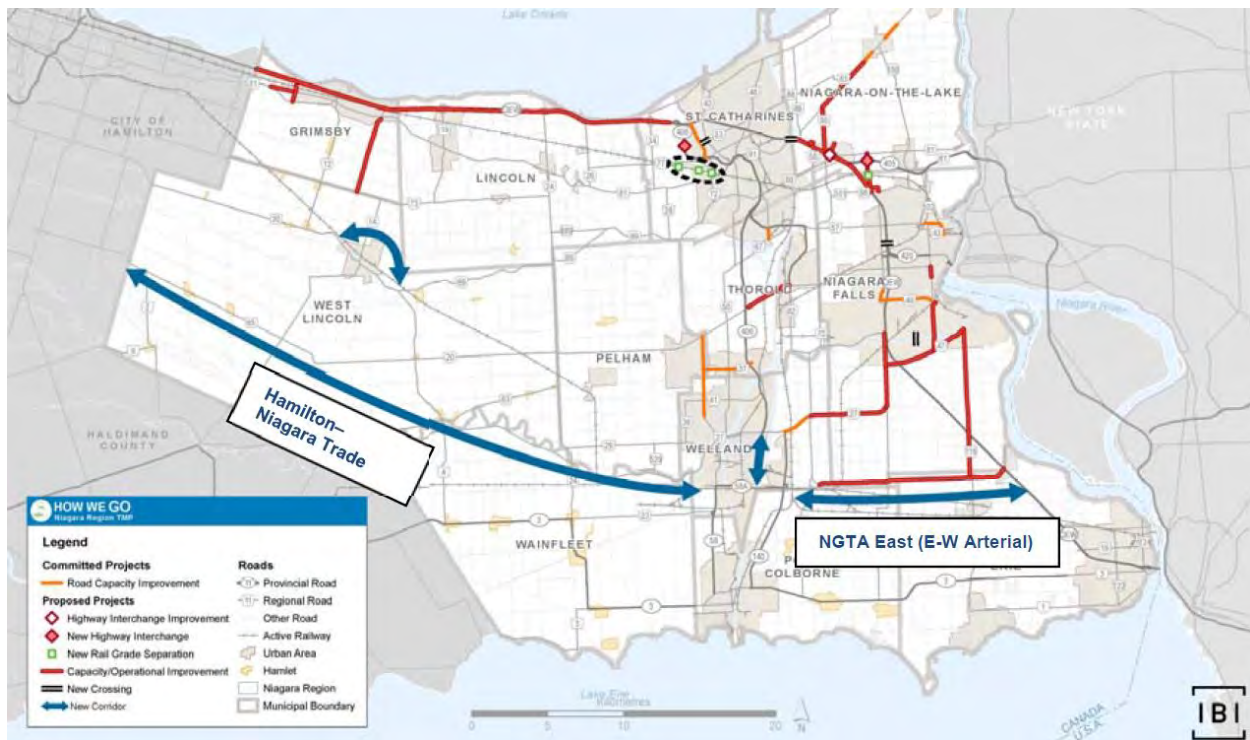


Fig 1: Proposed Niagara-Hamilton Trade Corridor

**An application for funding to build the first phase of the Niagara-Hamilton Trade Corridor was submitted to the National Trade Corridors Fund in 2017. Page 106 [www.niagararegion.ca/council/Council%20Documents/2017/pwc-agenda-nov-28-2017.pdf](http://www.niagararegion.ca/council/Council%20Documents/2017/pwc-agenda-nov-28-2017.pdf)**

### **Requests**

**Economic Trade Corridor Designation:** An economic trade corridor designation would allow Niagara Region to more easily obtain the supports needed to maintain and expand the infrastructure needed to facilitate trade across the US/Canada border crossings.

**Niagara-Hamilton Trade Corridor Funding:** Niagara Region is seeking funding for phase 1 of a proposed trade corridor that connects Niagara Region from Fort Erie to Hamilton in the vicinity of Hamilton International Airport.