

Members of the Chamber, Ladies and Gentlemen,

I am pleased to take part in what has become a tradition in our community—the mayor's state of the city address. I want to thank John Dolbec and the staff and directors of the Hamilton Chamber for organizing this event each year and for the many other opportunities they provide throughout the year for networking...big events like the presidents' panel... and the many other occasions when the chamber spearheads community involvement and dialogue on issues of importance to us in Hamilton. The Chamber has been a steady voice of reason through some of the tough economic challenges we have been through...so it's nice to be here at the chamber when the story is largely one of GOOD NEWS.

I'm going to walk through some of the economic highlights of the year just past...and then touch on a few of the things we hope to accomplish in this term and ...even at this early date... to talk about some successes. But first the local economy...

Sometimes I think we have become so accustomed to talking about our past struggles with the Hamilton economy that we don't recognize it when things have significantly improved...That's not to say we don't have continuing challenges...but let's take a moment to celebrate some real successes...First of all we have some great new players at the table. New McMaster Patrick Dean has already begun collaboration with our office regarding the University's interest in helping our Downtown. New Police Chief Glen DeCaire has implemented new approaches to policing that have had immediate impact on the perception and reality of a safe secure City.

You will recall that the previous council voted to increase its investment in the Economic Development department. There were those who questioned the wisdom of that investment. But I think as you will see today the early returns suggest overwhelmingly that the money was well spent.

The first big hit in terms of business attraction in 2010...was the announcement that Canada Bread would spend 100 Million dollars to build a 338 THOUSAND square foot facility in the Red Hill business park. That's another 350 jobs in the local economy....and a further boost to Hamilton's food processing cluster which is becoming one of our major economic clusters. And then later in the year came the arrival of the German Steel giant Max Aicher who revived a nearly one million square foot facility that had been idled by US Steel... Again another \$100 Million plus investment...AND 125 jobs with the prospect of the job total doubling over the next 3 years... And while we're are talking about these investments we have to note that just last

month Arcelor Mittal Dofasco announced that they will invest a QUARTER OF A BILLION dollars in new finishing operations and that's on TOP of the \$100 Million they spent last year on improving their primary steelmaking operations.

And the great thing about those investments...most of the money gets spent right here in Hamilton.

It's no surprise then that all of this investment is reflected in the building permit figures produced by Neil Everson's department. For the first time in history, thanks to some of the big investments we just described...Hamilton hit the ONE Billion (with a "B") mark in building permits issued. That puts us ahead of Mississauga for the first time.

Looking at the industrial and commercial totals, (and as everybody knows...the more industrial/commercial assessment we have the less the load on the homeowner's tax bill)...

Hamilton has outstripped all of the other GTA centres at over \$300 Million

..Incredible growth just a year out of the recession.

And finally...when we look at the unemployment rate in Hamilton compared to other communities...We see we were consistently below the unemployment rate for CANADA...for ONTARIO and also below the average for a number of similar sized communities in the province...(4 min) ONTARIO 8.1 HAMILTON 6.9

We've touched on some of the mega projects that were undertaken or completed in the past year... but in fact they were only part of some 50-odd new commercial/industrial projects that launched in 2010.

Some 25 new tenants settled on the Port of Hamilton or expanded operations...just a couple of examples being the new \$10 million dollar grain terminal by Parrish and Heimbechler on Pier 10. I was delighted for many reasons, including my enthusiasm for railways to see new track being laid across Burlington Street to service that facility. Another is the partnership formed by Joe NG with the Chinese company "DaQo" that will produce solar panels AND some 200 jobs...

In the south end of the city, in addition to the Canada Bread plant—Carmen's is building a hotel behind the banquet centre—and Carstar Automotive...is building a new office building to headquarter its growing Canadian operations.

Both of these developments are a tribute to the hard work and ingenuity of the Mercanti family who have been ahead of the curve for years in their willingness to invest in Hamilton.

In the East end...I look at projects like the Janco Steel expansion. These people have been here in the steel preparation and distribution business, steadily growing for more than 10 years and last year added another 70 thousand square feet to increase their processing capabilities. Janco is one of more than 30 companies that exist here in Hamilton that process steel they get from the local producers... and get it ready for the next user—be it automotive stamping plants—suppliers of construction steel or appliance manufacturers.

When people talk about the number of steel jobs we used to have in Hamilton compared to now they usually focus on the two big mills...but what they forget is the literally thousands of people who are still working in well paying jobs in steel at plants like Janco and Samuel and so many others.

If you want to get a full picture of the steel industry in Hamilton don't just drive along Burlington Street, drive down Arvin Avenue in Stoney Creek—that's where you will find the sometimes forgotten piece of the steel business. And that's why steel continues to be such an important part of the Hamilton economy now and into the future...and by the way...that's something to be PROUD of.

In the west –the Ancaster Industrial Park...we see the new Tim Horton coffee roasting plant... and Gates Automotive, who are now the biggest employer in the Ancaster Industrial park with over 600 employees.

Hamilton health Sciences and St Joseph's Healthcare continue to have huge capital projects underway at several campuses around the city.

Downtown we just celebrated the opening of the new Central Library and Farmers Market as well as the new Mac Nab Street Bus Terminal. We also brought more HSR buses to the GO Centre on Hunter Street with a new platform paid for by GO. What this did was allow us to add 31 on-street parking spaces along Hughson, and 28 new parking spots along the Gore which means greater convenience for those wanting to shop downtown....So it's all good. Don't let me forget to mention agriculture...a billion dollar business in Hamilton comprising two-thirds of our land mass. We have some of the best prime agricultural lands in Canada, and in fact 2.4 per cent of the best land in Ontario. In an era of food security and eat local initiatives, our situation is second to none in Canada and we should celebrate this to a greater extent. (Mayor's Gift)

As I mentioned while things are definitely looking up, none of this suggests that we do not face continued challenges in Hamilton. Your council has given staff a goal of achieving a zero tax increase if possible in an attempt to get Hamilton's tax competitiveness position more in line with other communities in the GTAH. Like every other community in Ontario we are challenged with an aging infrastructure.

And then there is the issue of poverty. As has been widely reported and discussed...there are some serious gaps in income, health and even life expectancy between different parts of our city. And we need to build on some of the great work that has been underway thanks to groups like the jobs prosperity collaborative, the Hamilton Community Foundation, and many others. I have to acknowledge the work that is being done by our front line staff in Community Services who are often unsung heroes when it comes to improving the quality of life of the most marginalized of our residents.

But in terms of our marketing focus—we can't allow ourselves to be perceived as the poverty capital of Canada. The best way to reduce poverty is to increase opportunity...and that means jobs and investment. The stronger our economy the more resources we will have to assist those whose circumstances may never allow them to fully participate in the opportunities that are being created.

Hamilton's record is second to none in the provision of services to the economically disadvantaged. We should be proud of what we're doing to help, and we're going to continue to be a leader in Ontario and indeed in Canada.

I just mentioned Council's decision to try to hold the line of taxes and perhaps this is as good a point as any to talk about what's really going on with council as opposed to what is perceived to be happening. When I ran for this job, one of the things I said in the campaign was that if I had my way, things would be different in terms of the way our council meetings operate.

Some may have interpreted that to mean that we were going to raise the temperature, and engage in a lot of confrontation. But that is not the reality. what I meant and what we all want as Councillors is to come together and work as a team. And I think the record shows we've had some success...Before I became mayor Council supported a number of my initiatives....Testing children in Code Red neighbourhoods for lead in their bodies, creating a loans program to help homeowners of modest means to remove old lead service lines, building a new Community Centre for the high-needs Beasley Neighbourhood, and cleaning the contamination from the

neighbourhood park. The final motion of the previous council was approval of the pilot program that addressed the problems at the Pearl Company. So we came into the new term on a very cooperative basis.

Even in the stadium debate which so divided the city in 2010—at the end of a long road, the matter was settled by a unanimous vote of council—and, by the way...We've had more than one unanimous vote in the last few weeks including establish a goal of zero tax increase. In the case of the stadium we were successful because we were able to put all of the players at the table with the single goal of reaching consensus...and that group included council, the Tiger Cats, the premier's office, our local government members, Toronto 2015 and infrastructure Ontario. And in a matter on 21 days—with that common goal we made it! We will use the same problem-solving approach to address the Velodrome issue and I predict we will be successful there as well.

One of the strengths of our Council is that each Councillor brings their own unique strengths and abilities to the table. I talked about this in my inauguration speech.

We have many diverse skills and backgrounds and I want us to tap into those leadership qualities as we execute projects like the stadium...like the Scott Park precinct development and many others. It also means working closely with city management and staff who are charged with making council policy happen—and again using the stadium as an example—I cannot praise highly enough the work of City Manager Chris Murray and his staff for bringing an incredibly complicated file through to completion against unbelievable time pressures and in a highly charged environment.

Staff also came through for us by implementing the live streaming of all of our standing committee and Council meetings, which has really opened up City business to the public and most importantly to taxpayers. This was the first of my priorities that was implemented, and it was done within two months of inauguration.

We've also worked hard from day one to develop a climate of trust and collegiality with our federal and provincial partners—our local members and ministers and the premiers office. So much of what we do is dependent on their support—and as was evidenced with the stadium and as I predict we will see with transit funding—the relationship is working to the benefit of Hamilton.

My commitment to the community is to operate an open office where things are dealt with promptly and professionally. The feedback we are getting suggests its working, but of course it's a work in progress, just 2 and a half months in. We deliberately started out with a smaller staff because we wanted some time to see where our resources can best be put to work to make the offices as efficient and responsive as possible. We will add resources when we see the need and value. Let me give you a couple of examples.....(driver, salary of COS 20k less, Intergovernmental—Premier, Min. Aggelonitis, Min Bradley, former Min. McMeekin, Federally min. Flaherty, Min. Lunn, Min. Baird, Min. Kent, Ritz, Senators Braley and Eggleton, corporate leaders such as the Pres of CP Rail, and many many others.

I come from a background of European immigrants who arrived with next to nothing, made the most of what they had, and for the most part have thrived and become contributors to their community, their province and their country. They are workers, professionals, developers, builders, and significantly ...taxpayers. The lesson I learned was to live within our means and be sure to invest your hard-earned money into things that will bring back a return. This has been the formula for thousands of successful immigrants and it's a good formula for our City.

Ladies and Gentlemen, as optimistic as I am today, we all know there will be challenges over the next four years, there will undoubtedly be some missteps—hopefully not too many—but I believe we are on the threshold of a new era of prosperity for Hamilton—an era where the city will emerge from a long period of self-doubt and loss of confidence.

I sense among our Councillors a willingness to pull together to tackle some big issues—like Pan Am and beyond—like all-day Go service and transit enhancements—like getting taxes under control—and most important continuing to diversify and strengthen the local economy. It's also my belief as I said many times during the election campaign that Hamilton has to get back onto the bigger stage in terms of its profile among great Canadian Cities. Since becoming Mayor I'm pleased to report that our City has had extensive positive coverage in the national media. The stadium success was well documented through articles in the National Post, and radio interviews on the CBC, the Fan, and local stations in Regina and Calgary, to name a few. Most recently I participated in the Toronto Civic Action Conference which brought together political thinkers from across the country, including the newly elected Mayor of Calgary, hosted by John Tory.

The official news release stated that “Four of the region's top political leaders - Mississauga Mayor Hazel McCallion, Hamilton Mayor Bob Bratina, Markham Mayor Frank Scarpitti, and City of Toronto Deputy Mayor Doug Holyday - offered a powerful close to the Summit, stressing the need for governments to better cooperate and reflect the regional reality of most issues and residents' lives” and received excellent coverage in the Globe and Mail and Toronto Star.

So Hamilton is on its way, and the message we need to get out to the rest of the Country is that we are the city of Opportunity. The companies I have talked about today know that, and that's why they're here making new investments in the millions of dollars. And there are many more millions to come as long as we clear the way, eliminate obstacles, and put out a welcoming message.

One of the main reasons I'm here this morning is to welcome your input and advice—I ask for your support to make sure we finally achieve the potential we've been talking about for so long—and I thank you for the privilege of serving as your mayor and allowing me to speak to you today.