



**Chambre de commerce
du Montréal métropolitain
Board of Trade of Metropolitan Montreal**

September 17, 2004

Mr. Frank Zampino
Chairman of the Executive committee
City of Montreal
275 Notre-Dame Street East, Suite 2.105
Montreal, Quebec H2Y 1C6

Dear Sir:

As Montreal prepares to table its 2005 budget, the Board of Trade of Metropolitan Montreal would first like to acknowledge the efforts made by the city, year after year, to present a balanced budget. Difficult choices must always be made.

In this context - and in accordance with its mission to promote the economic interests of Montreal - the Board of Trade would like to draw your attention to two of its pre-budget recommendations, which are of direct concern to many of our members.

First of all, the Board of Trade wishes to reiterate its request, already expressed before the two preceding budgets, that the assistance programs aiming to minimize the shock caused by replacing the business tax with a surtax on non-residential buildings be maintained for a third year. We hope once again to see this mitigating measure fully incorporated in the city's budget documents.

Moreover, as you know, over the past three years, the Board of Trade has consistently supported Montreal's efforts to have the financial terms of the City Contract respected – particularly with regard to the city's access to new sources of increased, predictable, and diversified income. The Board of Trade shares your view that it is important for a larger share of Montreal's income to correspond to the economic growth generated within its territory. That said, the Board of Trade has always stressed its opposition to any increase in the tax burden borne by Montrealers and has repeatedly insisted on the need for the diversification of the city's revenue sources to be made within its existing tax mix.

For this reason, we wish to express our strong opposition to any additional tax on parking spaces (inside or outside), since this would clearly represent an increase in the taxes paid by Montrealers – an increase that could, moreover, have a negative impact on the vitality of the downtown core and its business and commercial traffic. Using the revenues from such a tax for public transit would make it no more acceptable, since more than 80 percent of the cost of public transit is already borne by Greater Montreal taxpayers – a percentage that has climbed steadily over the past ten years and is, in our opinion, high enough.

We therefore hope that Montreal will continue to look for ways to improve its financial situation that do not increase the tax burden on the city's residents, businesses, and companies. As long as the city adopts this approach, you can be sure it will find the Board of Trade to be a steadfast ally.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Labonté', written in a cursive style.

Benoit Labonté
President and CEO

c.c. Gérald Tremblay, mayor of Montreal