

_____ 2011

Sent By Fax: (416) 325-3745

The Honourable Dalton McGuinty
Premier of Ontario
Legislative Building
Queen's Park
Toronto, ON M7A 1A1

Dear Premier McGuinty,

On June 24, 2011, Metrolinx announced that they will be awarding a contract to refurbish 127 railway cars operated by the Ontario government's GO Transit to CAD Rail located in Montreal, QC. Reports indicate that the contract may be signed as early as July 11, 2011.

It is abundantly clear that Ontario Government's Metrolinx has not taken into consideration the overall net benefit to the province of Ontario in their evaluation of the CAD Rail bid vs the Ontario Northland bid which is separated by a margin of 1.68%.

As you very well know, the Ontario Government has the capacity to have this work performed in its own rail facilities at Ontario Northland where currently a similar 121 GO Train refurbishment is coming to a close. Just exactly how this contract was awarded is very disconcerting, especially given that the overall benefit in retaining this work at Ontario Northland, far outweighs having this work leave the province of Ontario.

The Metrolinx contract valued at \$122 million secures the jobs of 109 employees in northeastern Ontario. Over the life of the contract, approximately \$34 million will be spent on direct wages which provides a return to the province of \$7.5 million in tax revenue. This unquestionably makes the Ontario Northland bid "significantly superior" to the CAD Rail bid. The overall net benefit to Ontario is further multiplied when one takes into consideration the other 233 direct and indirect jobs estimated to be realized in the region. That is yet even more additional tax revenue which will not be realized if the contract is allowed to proceed to an out-of-province facility.

The work must and should remain at Ontario Northland and the Government of Ontario has an obligation to step in NOW and do what is right and award this contract based on the "overall net benefit to Ontario".

Name _____(print) _____(sign)

Address _____

cc: Andrea Horwath, Leader of the Ontario New Democratic Party (Fax 416-325-2770)
Tim Hudak, Leader of the Progressive Conservative Party of Ontario (Fax 416-325-0998)
Ken Lewenza, CAW National President (Fax 416-495-3778)
Brian Kelly, President CAW Local 103 (Fax 705-474-5536)

KL/RC/kw:cope.343