Member of Parliament (Windsor West)



Contawa Room 100 La Promenade Building Ottawa, Ontario Canada, K1A 0A6 Tel.: 613-996-1541

Fax: 613-992-5397

1398 Ouellette, Suite 2 Windsor, Ontario, N8X 1J8 Tel.: 519-255-1631

Fax: 519-255-7913

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The Honourable Lisa Raitt Minister of Transport House of Commons Ottawa, ON K1A 0A6

HAND DELIVERED IN THE HOUSE OF COMMONS

Dear Minister Raitt,

I am writing you today to enquire about the Detroit River International Crossing (DRIC). I want to begin by saying that my support for the objectives of this critical infrastructure project remains consistent and unwavering. With massive public expenditures already invested and significant resources allocated in the recent federal budget it is critical that your government ensure that Canadians can have confidence that DRIC is being executed cohesively and in a fiscally responsible and transparent manner.

You may be aware the Windsor Essex Parkway—which as you know is 50% funded by your government continues to be met with significant problems. It is my understanding that the Consortium responsible for the build and maintenance of the project is hopelessly behind schedule. One of the major subcontractors hired refused to comply with Canadian building codes and is now refusing to pay for materials putting small businesses in my community at significant financial risk. Public oversight has been ineffective and logical opportunities to collaborate between your government and the consortium have been ignored which could have saved tax payers money on subsequent phases of the project.

I think it's fair to say thus far the execution of this project has been wanting.

Beyond these clear problems that have already emerged I am equally concerned with respect to the next phases of this project. Most distressing is the absence of any dedicated funding for an estimated \$250M Customs Plaza on the United States side of the new Windsor-Detroit Crossing. I recognize that Canada has agreed to fund some elements of project that would typically fall to the State of Michigan. In a letter to (then) Michigan Governor Jennifer Granholm dated April 29, 2010 your predecessor the



Honourable John Baird agreed to fund up to \$550 M for "project components in Michigan that would not be funded by the public-private partnership or the United States Government."

This is already a substantial commitment that your government made on behalf of Canadians without providing any information with respect to the specific terms of this loan other than to nebulously indicate that it would only be repaid through toll revenue from the new crossing. This arrangement begs many questions that should already have answers. Basic questions such as:

What is the anticipated repayment date?

How much does Canada stand to profit from this loan?

What will be the interest rate?

Are there penalties for late payment, who would be penalized?

Have any of these questions been considered and analysed by your government and if so why hasn't the public been afforded a greater level of transparency with respect to their significant investment?

Moreover given the unwillingness at this time of your U.S. Federal partners to provide funding for their own inspection plaza is your government considering options to mitigate any potential delays this may cause? This emerging uncertainty around the funding of basic elements of the project begs a fundamental question:

How could your government have allowed your federal counterparts in the United States to so dramatically de-prioritize this project in such a short period of time?

Less than two years ago Ray Lahood (then) U.S. federal Transport Secretary attended the signing of the Crossing Agreement and offered full support for the project stating the following:

"This is an opportunity, not only to continue the friendship, to connect the friendship, but to create an economic opportunity for the people that will build the bridge, but for the next generation and generations beyond that will take advantage of the bridge and the economic opportunity that it creates."

As well your government appears to have information that is currently unavailable to the public. Recently your own Parliamentary Secretary publicly and categorically stated that Canada will not build a U.S. inspection plaza. This declaration does not seem to have any basis in fact rooted in information that is available at this time. Officials from Transport Canada indicate they "hope" the U.S. will finance their customs plaza. Michigan Governor Rick Snyder stated recently that: "the U.S. Government has largely

taken a position that they don't think they should pay anything for a facility for the United States government."

If your government has indeed secured this commitment as your Parliamentary Secretary suggests, given the level of uncertainty that now surrounds the funding of this component of the project allow me to propose that now would be an appropriate moment to disclose this information.

Article IX Section 4 of the Crossing Agreement states that the Crossing Authority (Canada) would ultimately be responsible for land acquisitions, design, construction, maintenance and finance of a US federal plaza unless US federal agencies "agree" to take on the responsibility.

What if the appropriate US federal agencies do not agree?

The omission of any dedicated funding for the U.S. customs plaza in the 2015 U.S. Federal budget suggests that such agreement is not secured.

Your government is sending out conflicting and confusing information with respect to this project. A greater level of transparency and oversight is required at this time. Most importantly however what is required is a renewed focus on your top infrastructure priority. Canadians need to be reassured that public resources are being allocated responsibly. A timely response to the questions raised here may assist you to clarify these lingering questions.

I look forward to your reply,

Sincerely,

Brian Masse M.P. Windsor West

c.c. Jeff Watson M.P.—Parliamentary Secretary to the Minister or Transport