

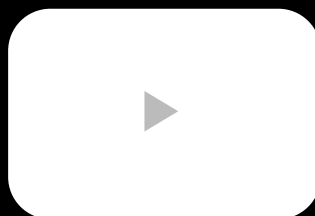
Greenhouse growers in Windsor region want government to defer cap and trade



ROSEANN DANESE, WINDSOR STAR

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 **POSTMEDIA**

Essex County greenhouse growers are calling for a deferral of the provincial government's cap and trade program set to begin Jan. 1.

A group of growers held a news conference Friday at the Windsor-Essex Chamber of Commerce offices, outlining their case for a delay implementing the carbon tax that they say will drive them out of business in Ontario.

“This is going to devastate us as a company,” said Gerry Mastronardi, a Leamington greenhouse operator. “If they want Ontario to be fed by other countries, they’re going in the right direction.”

Mastronardi said he planned to double the size of his 16-acre greenhouse operation, but has now pulled back those plans. He’s looking at possibly expanding in Michigan, joining some of his colleagues in the greenhouse industry that have moved to Ohio and Michigan. “I’m going to be the next one. I’m going to shop for land in Michigan.”



Guido van der Hof, left, of Soave Agricultural Group, is joined by Gerry Mastronardi of T G&G Mastronardi, as they speak about the impact of the provincial government’s cap and trade plan on the greenhouse sector in Essex and Chatham-Kent counties while at a news conference at the Windsor-Essex Regional Chamber of Commerce on Dec. 9, 2016. *DAX MELMER / WINDSOR STAR*

The cap and trade plan works by setting a limit, or a cap, on the amount of pollutants a company is allowed to release into the atmosphere. The “trade” part of the plan creates a market for carbon allowances, so a company that is able to cut its pollution easily can end up with extra allowances and trade them to other companies.

The province, in an emailed statement, said it stands behind the cap and trade plan. Gary Wheeler, a spokesman for the Ministry of the Environment

and Climate Change, said third-party economic experts have confirmed that the government's plan is both the most cost effective and best at reducing emissions compared to carbon pricing alternatives.

Wheeler said after introducing its cap and trade program, California's economy grew at a pace that exceeded the growth of the rest of the U.S. economy. The number of jobs in California grew by almost 3.3 per cent in the first year and a half of the program, outstripping the national rate of job creation, which was 2.5 per cent over the same period.

"In joining North America's largest carbon market, we're becoming partners in the most efficient and cost effective emissions reduction program there is," Wheeler said.

But the greenhouse growers say Ontario is the only province to push through with the legislation, making it difficult to compete with other provinces, let alone the U.S. marketplace. "They've created an un-level playing field with my neighbours," Mastronardi said.

He estimates the carbon tax will cost him an additional \$100,000 a year, starting Jan. 1. Any savings he has seen as a result of locking in lower natural gas prices will go directly towards the new carbon tax, he said.

John Thrasher, a Windsor businessman and a member of the chamber's agricultural committee, pointed out the U.S. and China produce 50 per cent of the world's carbon emissions, while Canada produces 1.6 per cent of the pollutants. "No matter what we do, it's not going to make a difference," he said.

Matt Marchand, president of the local chamber, said his group is asking the provincial government to defer the program until its impacts are fully understood. For instance, Ohio produces 60 per cent of its power through coal, and president-elect Donald Trump has declared he will revive the coal industry in the U.S.

"We have already lost hundreds of millions of investment to other jurisdictions like Ohio due to high electricity prices. Layering on cap and trade will no doubt make it much worse," Marchand said.

"We're exporting our jobs and investment and in return, what are we getting? Pollution through wind from coal plants in Ohio, where 60 per cent of their electricity comes from coal."