

Ontario cap and trade program will tax small greenhouses to death, growers say



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Gerry Mastronardi, owner of TG & G Mastronardi greenhouses and his son, Brennan Mastronardi, are shown at the Leamington operation on Feb. 6, 2017. The businessmen are upset about the province's cap and trade program which they say will put them out of business or force them to look to the States to operate or expand. *DAN JANISSE / WINDSOR STAR*

Premier Kathleen Wynne's cap and trade program will kill the greenhouse industry, Essex County growers warned Monday.

The program favours large companies and large carbon polluters while hitting small greenhouse operations hard which will drive them out of business or push more and more growers to expand to Michigan and Ohio, TG&G Mastronardi owner Gerry Mastronardi said.

"I have a son who came back home and I'm telling him there's no future here. You're going to have to go and start looking somewhere else because if this persists, there won't be anything left. We'll be lucky to survive," Mastronardi said of the family-run, 16-acre tomato operation.

Greenhouse growers asked Wynne to delay the cap and trade program, which is supposed to reduce carbon dioxide or greenhouse gas emissions, but it started in January. Now greenhouse growers who couldn't voluntarily qualify for the program because their operations are too small or too energy efficient are getting their first natural gas bills.

Mastronardi said his natural gas delivery charges, where he said the carbon tax is hidden, will double from about \$120,000 a year to \$240,000. Large carbon dioxide producers are exempt from the tax in the first year and overall will pay far less per acre over six years, he said.

Growers want to meet with Wynne and if they can't resolve the issue, Mastronardi said the next step would be getting enough farms together for a legal challenge of the program, which he said discriminates against smaller operations.

"The only way I can get in (the program) is if I open up my steam valves and shoot everything off into the atmosphere and burn the fuel up but come on, that's ridiculous," Mastronardi said. "It doesn't make any sense. That's why we're up in arms here."



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Matt Marchand, president of the Windsor-Essex Regional Chamber of Commerce, said cap and trade will harm the greenhouse industry that has an economic impact in the billions of dollars.

"The ultimate conclusion of cap and trade for now is that we're going to export jobs into coal-producing jurisdictions like Ohio and others, and import pollution," Marchand said.

The program makes no sense especially now that Donald Trump is the new U.S. president and has shown little interest in cap and trade programs, Marchand said. It means Ontario greenhouses will have extra costs their competitors won't have and as greenhouse operations expand to spots such as Ohio, Ontario jobs will be exported to states that are using coal, he said.

Greenhouses that are already struggling with skyrocketing electricity costs can expect to pay \$80,000 to \$250,000 more a year on natural gas because of cap and trade, Marchand said.

Carl Mastronardi, of Sunrite Greenhouses in Leamington and Kingsville, said if he had not installed \$2 million worth of energy-saving curtains at one of his few small greenhouses, his company could have qualified for savings

that are available to the bigger polluters. He said there is no incentive to save energy.

“None of the growers will be able to survive if we put this tax on,” he said. “The problem is we are the industry that uses the CO₂ (carbon dioxide) more than any other industry because our plants absorb CO₂ and let out oxygen. We can’t figure out what (Wynne is) doing.”

He said Alberta and British Columbia worked with their greenhouse industries.

Jamie Diniro has 26 acres of greenhouse cucumbers and saw his gas bill go from more than \$19,000 in December to \$41,000 in January because of cap and trade. He thinks the Liberals have so messed up the electricity system, they’re moving to natural gas now.

Lindsay Davidson, a spokesman with the Ministry of the Environment and Climate Change, did not respond to specific questions posed Monday, one of which was whether Wynne would meet with the greenhouse vegetable growers. Davidson said in an email late Monday that the government had met with the Ontario Greenhouse Alliance which includes flower growers.

The greenhouse growers say Wynne needs to meet with them and understand the impact on smaller operations.

Ontario has about 200 greenhouse vegetable growers and more than 2,800 acres of greenhouses with most of that in the Leamington/Kingsville area. The value of the Ontario greenhouse vegetables sector was more than \$820 million in 2015.

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