

# Joint Windsor-Ontario chamber report 'call to action' for agri-food sector



*DAVE BATTAGELLO, WINDSOR STAR*

[More from Dave Battagello, Windsor Star \(HTTP://WINDSORSTAR.COM/AUTHOR/DAVE-BATTAGELLO-WINDSOR-STAR\)](http://windsorstar.com/author/dave-battagello-windsor-star)

Published on: October 5, 2016 | Last Updated: October 5, 2016 8:43 AM EDT



The biggest challenge facing greenhouse operators and the agri-food industry are hydro costs, Leamington Mayor John Paterson said on Oct. 4, 2016. *DAN JANISSE / WINDSOR STAR*

A “call to action” is being issued to the Ontario government to better support the province’s agri-food sector or risk losing future investments and jobs, according to a joint report from the Windsor-Essex Chamber of Commerce and the Ontario chamber.

Skyrocketing hydro costs, an overabundance of regulatory hurdles, natural gas supplies and the need for more post-secondary programs geared to the industry are among the concerns brought forward in the report.

“We have jobs available to us, but agriculture leaders in this area have told me they are looking at other jurisdictions if the current trends continue,” said Matt Marchand, the local chamber’s CEO. “They will put their investments on wheels and look elsewhere.”

Premier Kathleen Wynne in 2013 challenged the agri-food industry to double its annual growth rate and create 120,000 new jobs by 2020, but too little government support to achieve those goals has followed, Marchand said.

The Windsor-Essex region supports one of the largest agriculture sectors in the world — largely attributable to its booming greenhouse sector.

But Ontario’s hydro costs have jumped 400 per cent since 2004, while regulations are increasingly difficult for business leaders to navigate, the report said.

If changes are not made, growth in the industry will stagnate or lead agri-food business owners to look elsewhere, such as Michigan or Ohio, to expand their operations.

The joint chamber’s Fertile Ground report includes recommendations to establish a one-stop regulatory “concierge service” that can better assist the industry to achieve compliance with regulations instead of trying to navigate through up to 15 different government departments.

“It’s very complex,” Marchand said. “It can be very overwhelming, especially for the small- or medium-sized businesses. There are also growing costs within the regulatory environment.”



Matt Marchand is pictured in this 2014 file photo. *TYLER BROWNBRIDGE / WINDSOR STAR*

The report says it is becoming “difficult to maintain and grow business” within the region’s agri-food industry with escalating hydro costs and the need to expand Essex County’s main natural gas pipeline — which Marchand says has reached capacity.

“We’ve got a lot of jobs on the table in the agriculture sector,” he said. “People in the agriculture community have said, ‘reduce my costs and (regulatory) burden.’ We want to make sure their future investments stay here.”

The chamber report was authored after meeting for six months with agriculture growers and processors, plus winery operators.

Ontario’s agri-food trade in 2015 exceeded \$14 billion, while the industry employs roughly one in nine people across the province, the report said.

“The province cannot afford to take the continued success of the agri-food sector for granted,” the report concluded.

NatureFresh Farms CEO Peter Quiring cited three needs that would go a long way to aiding the industry — affordable hydro, improved access to labour at

all levels and eliminating government red tape.

He cited one example of requiring a signature from the province's transportation ministry for a company-related issue on Highway 77 that took up to eight months to get in place.

"That's just MTO," Quiring said. "Then you need other signatures from various ministries. The ministries themselves are feeling the overburden of regulations, as well."

Even rules around apprenticeships in the agri-food industry can be a nightmare, he said.



NatureFresh Farms CEO Peter Quiring is shown at the company's Leamington facility in May 2012. *JASON KRYK / WINDSOR STAR*

Too many government regulations are in place that may have made sense years ago, but "do they still make sense?" Quiring asked. "Overregulation is bogging down everything in the industry."

The Essex County greenhouse industry is not going anywhere, but in terms of expansion, Manitoba or several states in the U.S. are starting to look more attractive, he said.

"It's not a situation of leaving or else," Quiring said. "We just want to work together and get these things addressed."

Leamington Mayor John Paterson said while there are some regulatory concerns, the biggest challenge facing the industry are hydro costs.

"Most of these business all want to remain here," he said. "They do not want to leave, but the biggest issue really is utility costs."

The region continues its push to speed up construction of a new high-powered Hydro One line and transformer into Leamington that will significantly address electricity capacity issues and hopefully help lower those costs for the industry.

Construction is scheduled for 2017 and completion the following year.

"We have approval (this week) for them to access (municipal) properties," Paterson said.

Once the hydro line is operable, greenhouse operators will be able to have new around-the-clock lighting systems that are functional 365 days per year.

"It will change the industry dramatically," Paterson said. "It becomes all year around rather than seasonal workers. You can draw energy at nighttime and sell back (to the grid) in the daytime when you need less."

The natural gas issue was partially resolved for area greenhouses with two extensions off the county's main pipeline constructed a few years ago, he said.

"That has taken care of our issue so far," Paterson said. "Those gas lines brought in are meeting our needs."

[dbattagello@postmedia.com](mailto:dbattagello@postmedia.com) (mailto:dbattagello@postmedia.com)