

YEAR ROUND GREENHOUSE GROWING OPERATIONS

Windsor-Essex Regional Chamber of Commerce

Issue:

Currently, many of the greenhouse growing operations only have seasonal production and are unable to provide year-round operations. This places Ontario greenhouse growers at a competitive disadvantage compared to producers such as those located in the south of the United States and Mexico.

Background:

The greenhouse industry is one of the most important economic sectors in Ontario. The latest census figures note that Ontario has 12.5 million square meters under glass or plastic. The growth of this key agri-food sector over the past several years has exceeded most other sectors in the economy. The future of the sector is also one of the areas of potential economic growth and one of the strongest links to achieving the Government of Ontario's goal to double the Province's agri-food exports, creating 120,000 jobs by 2020.

In many instances, however, the Ontario greenhouse industry can only produce product for nine months of the year. In order to be competitive and sustain the jobs and the economic benefits of the sector, year round production is becoming critical. This lack of a full year production places Ontario greenhouse growers at a competitive disadvantage compared to producers such as those located in the south of the United States and in Mexico.

Knowing that the growth in the greenhouse industry is conditioned by the business climate and the access to reliable and affordable energy it is imperative that the government address the issues of competitiveness in input costs such as energy and preserving a competitive tax environment for the greenhouse industry.

Recommendations:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Work with industry on adequate access and supply of electricity and other forms of energy to the greenhouse producers to allow year round production to be viable.
2. Work with the greenhouse industry on strategies for greenhouse and Agri-Food businesses that expand their operation for a year round production.

ENERGY AS A DEVELOPMENT TOOL

Greater Sudbury Chamber of Commerce, Sault Ste. Marie Chamber of Commerce, Thunder Bay Chamber of Commerce, Timmins Chamber of Commerce, and Windsor-Essex Regional Chamber of Commerce

Issue:

Major industrial users in Ontario have long cited high energy costs as a deterrent for growth in the province. The high cost of energy has been referenced by numerous resource companies as a critical factor in their decisions to locate facilities and business activities outside of Ontario where costs are lower.

Competitive energy prices are needed to take full advantage of new and existing economic development opportunities across the province.

Background:

Ontario's primary industries are currently facing high electricity costs, uncertain demand and depressed commodity prices. Electricity costs are among the largest operating expenses for sectors such as mining, agri-food, and forestry and are set to increase.

Ontario's 2013 Long-Term Energy Plan projects a 33 percent rise in the price of electricity for industrial enterprises in the next five years and 55 percent in the next 20. New energy policies and supply decisions are implemented by the province without comprehensive assessment of the economic effects on major and minor industries, future electricity prices and the communities that support business of all types and sizes.

As Ontario enters into new economic opportunities, such as the Ring of Fire, industries will be even more reliant on energy. High energy costs however can threaten the ability of industries to advance these initiatives and remain competitive. Current power rates offer little incentive for firms to invest and conduct their business activities in the province.

For example, in 2011, Cliffs Natural Resources, a Cleveland-based company with significant stakes in the Ring of Fire area, cited energy rates as a critical factor in its assessment of locating its ferrochrome processor in Ontario: "At current provincial power rates, there isn't a location in Ontario that is economically viable for Cliffs to build the FPF. Despite this, we have named Sudbury as the 'base case' location...."

Special electricity rates for energy intensive industries would encourage companies to invest in Ontario. In terms of new and existing mining developments for example, discounted rates would provide incentives for companies to process minerals in the province itself. This would ensure profits remain in the province and taxes would be maximized thereby reducing the load on the rest of the business community.

specific pricing would also provide a form of security for sectors such as mining in the face of cyclical fluctuation in commodity prices.

Current provincial rebate programs, such as the Northern Industrial Electricity Rate are necessary but insufficient. Companies considering investing billions in infrastructure to access natural resources in the North, including its mineral wealth need to know what the electrical rate is 10 years from now, and short term programs will not facilitate these important investments. Further supports are needed to bolster these programs, especially for smaller businesses that face challenges in qualifying.

In addition, natural gas should be considered for remote areas as it can be compressed and/or liquefied and safely transported to easily meet the energy needs of mining and other heavy usage, including to power generators for communities that currently use diesel fuel or bunker oil for that purpose. Use of this readily available low cost and environmentally preferred fuel would avoid the need to build expensive electric transmission lines as existing winter and other road access points can be the transportation method to bring Compressed Natural Gas (CNG) or Liquefied Natural Gas (LNG) to these remote areas. This type of fuel opportunity should be encouraged.

It is important that the government capitalize on surplus energy in the Northeast and address the use of resources in the province as tools for attracting investment. The province must also ensure that adequate and sustainable power is available across the Northwest, where much of the advanced energy dependent mineral exploration and mine development takes places.

Electrical generation, transmission, distribution and energy pricing all relate to our ability to grow our economy and contribute to the financial health of the province through the use of our own resources.

Recommendations:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Ensure a reliable, modern and efficient supply of energy to its customers at competitive rates that enable business and industry to be competitive in a global market;
2. Implement discounted electricity pricing for energy intensive sectors;
3. Maintain the Northern Industrial Electricity Rate program as a permanent legislative program (beyond 2016);
4. The government should ensure the appropriate power transmission infrastructure is in place to leverage energy resources;
5. Encourage non-traditional energy sources such as natural gas that are ready-now for industry and communities that are not currently connected to the electrical grid;
6. Collaborate with the private sector, local governments and First Nations to determine the full range of social and economic impacts to be taken into account when making energy supply decisions, and to better accelerate their connection to the grid; and,
7. Address the use of resources located in Ontario, including energy, as a powerful and compelling investment attraction and retention tool through the development of an energy strategy that supports economic development in the province.

WORKFORCE DEVELOPMENT FOR THE AGRI-FOOD INDUSTRY

Windsor-Essex Regional Chamber of Commerce

Issue:

To meet current and future challenges the Agri-Food industry in Ontario needs to develop its workforce. Among the critical needs for the industry are training and education to develop industry specific skills and direct exposure of the potential workforce in training with opportunities in the industry.

Background:

As a part of one of the leading industries in Ontario, Agri-Food businesses represent a significant share of the Province's wealth and economic prosperity. Some of the challenges in the Agri-Food industry are related directly to industry specific skills, training, education and engaging the future workforce. The solution is for the Province to support the existing employment and training infrastructure to develop a world-class labour force for the Agri-Food sector.

Workforce development for the Agri-Food industry is both a challenge and an opportunity that can provide additional employment in Ontario. Furthermore, the value of this employment is in the fact that most of the employment in the industry occurs in rural communities where the impact of the job gain is the greatest.

Recommendations:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Work with industry to provide the necessary training and skills development programs for all significant Agri-Food regions in the Province in consultation with the Agri-Food industry and regional workforce related organizations.
2. Encourage educational and training institutions across Ontario to provide additional Agri-Food industry specific programs and courses meeting the stated needs of the regional/local Agri-Food businesses.