

WEEK 19 – Q&A Candidates on Diversification of Industry in Sault Ste. Marie

By **Content Team** - August 15, 2022 @ 11:38 am



Do you have a question you would like to be asked of your candidates in the week's leading up to the election? Let us know at newsroom@saultonline.com or in the

This is week 19 of our question-and-answer feature in which SaultOnline poses a question from the constituents to those running for community leadership on council.

SaultOnline garners questions from the community, at times from specific members, and at other times from multiple constituents as posed over the last 48 months on our social media platforms and present them to those wanting to lead our community.



Currently, only those listed on [the City of Sault Ste. Marie website](#) as running for the respective positions as Mayor and Councillors are given these questions.

As always the question is put forward early in the week and an assigned deadline of Saturday at 5pm is given for responses to be submitted.

This week's question comes from ongoing discussions and comments from the community-

Given the Sault's historic dependence on the Steel industry, diversification of industry seems important moving forward.

1/ How would you seek to attract new industry to the Sault?

2/ What industry do you see as being of optimal benefit to our community?

Do the answers here match yours? Let us know in the comment section.

Mayoral Candidates –

Matthew Shoemaker –

1/ As many will recall, in 2017 I spearheaded Sault Ste. Marie's Amazon HQ2 pitch. While those efforts were always a long shot, and ultimately weren't successful, an obvious outcome from that exercise was that people in the Sault wanted a more aggressive and courageous approach to economic development. If I'm elected, that's what the City can expect from me. I will be at the doorstep of any business looking to move to a place where we have quality of life in spades, short commutes, affordable housing prices, and are a quick jaunt to major cities in Canada and the U.S. I'll work day and night to make sure the business world knows Sault Ste. Marie is open for business.

2/ The top priority, the optimal benefit, and the lowest hanging fruit, in my opinion, is OLG jobs. When the province de-centralized agencies in the late 1980s/early 1990s, all of OLG's jobs were here, from the President right down to the call centre. Ever since the mid 1990s,

we've been losing jobs in the Sault to the Toronto office. I've railed against OLG for this on several occasions, including here. Any effort to move OLG jobs to the Sault will start with fostering a positive relationship with the Provincial Government. I have worked and will work closely with our MPP, Ross Romano, to do everything in both our powers, to move OLG jobs to the Sault. Other optimal industries that should be pursued are those that make consumer products from Algoma's steel. This would add a second industry to the Sault to complement our existing major industry, and is an area where other steel plants in Ontario (Stelco in particular) have done a better job at than us.

Tobin Kern –

Pursuing sustainability will open doors for, and attract new business and industry to the Sault. Because of obligations to tackle climate change and protect our environment, we have to live and do business in new ways. When the city makes this goal a primary objective, it will signal to industry that we're serious about making the needed transitions, and new industry will want to locate and invest here, to take advantage of, and facilitate the necessary changes.

Algoma Steel and the federal government have invested heavily to lower steelmaker's climate change impacts, moving to make electricity a main energy source, and moving toward more recycled source material. The writing is on the wall. The world is slowly working toward a more sustainable future, industry included, and the city needs to demonstrate through its own approaches that it is a player in this movement, a movement which will quickly scale up in the coming years.

As for industry that would be of optimal benefit to the community, because of the Sault's sustainability obligations, it only makes sense that our community should work to attract, and facilitate development of businesses and industries that support our objectives. It would not make sense to strive to reduce our city's climate change impacts, only to work against ourselves and support the growth of industries that counter what we are trying to do, and how the community is trying to position itself. What's more, the long-term viability of industries that have large-scale climate change impacts have come into question, making it imprudent for the community to depend on such employers, only to see them shuttered in the near term.

Ozzie Grandinetti –

There is no magic recipe for diversification and attracting new businesses to SSM, however it is inextricably linked with economic development and poverty reduction and it is crucial for us to attract more industry and business so we can increase the number of quality jobs. Sault Ste. Marie needs to be recognized as a smart, growing, high quality-of-life community that is the home of multiple industrial sectors.

In order to make SSM attractive to businesses we need to:

- Reduce and cut red tape and make it easy for businesses to come to SSM; and existing businesses to grow
- Develop appropriate incentive frameworks so we can be competitive and an attractive City
- Promote opportunities more aggressively with investors so they are aware of opportunities
- Align the labour market to ensure that we have a match between workers and potential jobs
- Focus on improving infrastructure – roads, waterfront etc

I believe and have always said that the city should look at a wide array of industry, particularly ones that are tied to the steel industry since that is our main industrial business in SSM. We need more small industry similar to the Flakeboard Plant on Base Line and the SIS Manufacturing Facility on Peoples Road. The late Mayor John had a wonderful vision for this city with his plan for a transportation hub but it seems to me that the brakes have been put on his dream project since his passing.

I asked the current Mayor about the multi modal project 5 years ago only to get an answer that we are currently working on it. I haven't seen any evidence that this project is even being considered. I also think that one of the biggest problems within our community/province is the red tape that it takes to get projects started and Nimbyism (not in my back yard).

I will do everything that I can to attract businesses to Sault Ste. Marie, make phone calls, presentations, and position SSM as the place to do business. I am particularly interesting in attracting companies that are involved with the electric car industry as this is where the world seems to be heading.

We have to start looking now fast and hard because of the modernization of the one key industry in SSM (to be green) will more than likely result in a reduction in employees by at least 40% – 50% within the next 4 years. We have the tube mill that is investing millions of dollars in SSM now, but it is all tied to the oil industry which is very volatile and will more than likely become obsolete within 10-15 years (hopefully not).

The support and service that we provide to businesses as a City needs to be improved, we need to do everything we can to help them set up and/or expand their existing business. We need to walk them through the process, make it easy for them to work with us and provide a seamless process.

Donna Hilsinger – No Response Submitted

Ward 1 –

William McPhee –

I would try to attract new industry by promoting our location, which links to railway, highway and ships for getting products out and in.

I think one industry that would be of great benefit is a recycling plant, that would allow us to recycle more types of plastic and there would not be large shipping costs.

Sandra Hollingsworth – No Response Submitted

Brent Derochie – No response submitted.

Ward 2 –

Lisa Vezeau-Allen – No Response Submitted

Luke Dufour – No Response Submitted

Ward 3 –

Luis Moreno – No Response Submitted

Kurtis McDermid – No response submitted

Angela Caputo – No response submitted

Ward 4 –

David Celetti – No response submitted.

Stephan Kinach – No response submitted.

Merek McLeod – No response submitted

Marchy Bruni – No response submitted.

Ward 5 –

Corey Gardi –

Economic diversification is an issue that is often mentioned at election time in the Sault, whether it be Federal, Provincial or Municipal. Reason being that diversifying the economy is key to the future of our community, and will go a long way to retaining our youth and attracting the newcomers we need. In this respect, I believe we need to concentrate on a few paths forward.

One path is working to attract businesses that complement our largest employer(s) Algoma Steel and to a bit lesser extent, Tenaris. Industries that can assist those two companies and/or produce or further refine products that each produce. There have been a few success stories over the years, we need more. Those in charge of Economic Development must continue to pursue these types of businesses and let them know of the available land we have to offer, the opportunity presented by Algoma and Tenaris, and the further opportunity that is offered by way of the PUC's new transmission capabilities that will come on line with the transition of Algoma's steelmaking to an electric arc furnace.

Another path is to further attract knowledge based businesses to the Sault. I'd say one of our most successful in this regard is Village Media. Village Media started in the Sault and is now a media company with presence across the globe. In order to attract these businesses, we need to work with both of our post-secondary institutions to ensure innovative programming that addresses the needs of the local labour market while also meeting the demands of a knowledge based economy. The Sault Ste. Marie Innovation Centre has a key role to play in this as well, they have done a lot of good work over the years, and continue to, especially in the agri-food space. Personally, I believe there is much more that the Centre could offer by way of both diversifying and further specializing in some of the things they do well.

It is my opinion that the climate crisis, along with the challenges it presents to the environment/natural world present opportunities for the economy. This is one of the reasons I initiated Sault Ste. Marie's bid to be home to the soon to be established Canada Water Agency (CWA). Along with the Mayor, I have met with government officials tasked with developing the agency to pitch the Soo as a natural place for the agency and worked hard as part of the Sault Ste Marie CWA task force. This would bring millions of dollars to the local economy annually, and have potential to make the Soo a leader in the management, conservation and study of fresh water, which to me is the world's most valuable asset. An opportunity such as this would undoubtedly result in further work involving freshwater in both the public and private sector and be a catalyst for Algoma University and Sault College.

Lastly, we need to capitalize on being part of the Great Lakes and St. Lawrence Seaway System, the combined economic activity of the states, provinces and cities that surround them is one of the biggest in the world. That is why this year, I travelled to Niagara Falls to attend the Great Lakes St. Lawrence Cities Initiative Annual General Meeting. It provided the opportunity for networking and letting partners and businesses/agencies in both the private and public sector know that the Soo is interested in further developing its economy around this seaway.

Matt Scott – No response submitted.

Martin Poirier –

The capacity of a city council to attract new investments is limited. To encourage investment, our best course of action is to improve our relations with businesses.

Selecting in which industries to invest in is best left to the private sector. The only exception is utilities and common goods, where nationalization makes sense. The record of bureaucrats to choose and invest in the “industries of the future” is, in my experience, dismal.

In other words, I would not as a councillor militate for a particular sector or industry. They all have their pros and cons, and they are all welcome and part of what makes a city a city.

There is also a misconception on our city’s level of diversification. According to Statistics Canada’s last census, there were 43 830 people with an employment income in 2020 in the city. If we couple that with Algoma Steel’s 2900 employees – far from the 12 000 they had in the ‘80s -, it means the plant now accounts for around 6.6% of direct jobs. It is still the biggest and most important employer in the city, especially when we consider all the contractors that the plant employs, but I do not think we should look at our city as mono-industrial anymore. We have other big employers, notably the hospital with around 2000 staff, the university, and Eacom to name a few.

As they teach in sales, the easiest way to grow is organically, that is, from your existing customers, or, for a city, from buds of the businesses that are already there.

That is why it is so important to tackle the cultural issues we have in our building department. I hear it all around from every actor in the construction industry I have talked to: our city has a reputation of being a place where it is very hard to build because of the way our city’s building department interacts with permit holders. Inconsistent application of rules between staff, obtuse interpretation of the Building Code, lack of justification for their decisions, absence of a complaints process, those are the things that come again and again in regards to our city’s building department. That undoubtedly drags down investment. City council needs to challenge our administration on that, press it to act and report back.

We also need to hear more from our “customers”. Sending surveys after service is a common practice in the private sector. There are many cheap ready-made solutions that compute and digest the results, and they are a goldmine of information for continuous improvement. Our administration should make use of that to streamline its processes.

When it comes to relations with businesses, it is also the little things. For example, I find inappropriate that we are now asking an \$11 fee to have an official tax payment summary. Where else do we need to pay to obtain an invoice for something we paid for? I’m pretty sure the amount of money we would need to put in publicity to counteract the bad press such a practice creates is way more than the perhaps \$20k we will get from that small fee.

Council should proactively relax its zoning policies to favour investment in housing.

We should also follow other municipalities and charge a development fee to support infrastructure investment – the Greater Sudbury does it. This is not only more just for those businesses that have been here a long time, but it ensures the funds to support further growth are readily available. I doubt those fees would discourage investment: when put

against the bigger cost of building and amortized on the long term, these fees are relatively small. Besides, it is the cost of doing business in this province (except in very few municipalities). If we have not yet completed our background study that is required under the Development Charges Act of 1997 to put this in place, then it is overdue.

On a final note, the potential ferrochrome plant comes to mind with this question. My personal position is that we should make no compromise on our population's health. There is still little information available on the project yet, but if the company does still want to go ahead, then the relevant environmental assessment process should be followed.

Dave Mornix – No response submitted.

Do you have a question you would like to be asked of your candidates in the weeks leading up to the election?

Let SaultOnline know and our staff will do their best to get answers for not just you, but the community as a whole.

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