

HAMILTON CHAMBER OF COMMERCE

Response to the Establishment of a Hamilton Triple Bottom Line

- Business Attraction Task Force -

INTRODUCTION

The Hamilton Chamber of Commerce wishes to register a voice of great concern with respect to the motion approved by Council to establish a Task Force to consider the implementation of Triple Bottom Line practices to the business of economic development. Our concern is based on three major factors:

1. City staff has not reviewed the proposal. Given that the City has an effective Economic Development Department and this Task Force would appear to deal with matters within its mandate, this proposal should be thoroughly reviewed by the Economic Development Department as well as other affected departments at the City. It is noted that the only staff response to this proposal came from City Manager Mr. Peace at the Council meeting, who at that time, I am told, expressed grave concerns about this proposal.
2. The Task Force has the potential for creating another level of approval and becoming an impediment to economic development objectives that have been embraced by the City. The Chamber believes there should be fewer impediments and review processes for expanding existing business and attracting new investment. Introducing a new review process could put the Task Force in direct conflict with the mandate of the Economic Development Department, the number one priority for the City of Hamilton, and the mandate of the Task Force itself to retain existing and attract new business opportunities to the City.
3. The recent success the City has had in creating a business friendly environment has been severely eroded through the recent experience with the Maple Leaf proposal. There is a concern that the establishment of the Task Force could contribute to the declining image of the City as a place in which to invest and expand business opportunities.
4. It is understood that the resources available to the Economic Development Department are currently well below those afforded to competing jurisdictions in the immediate area. Any proposal to dilute the limited resources further by adding additional activities could severely undermine the effectiveness of this department.

The resolution to establish the above Task Force contains three major components, including:

- (1) Development of a strategy to attract business companies to Hamilton's employment lands and demonstrates a commitment to the Triple Bottom Line;
- (2) providing information to assist companies to fulfill Triple Bottom Line business practices; and
- (3) development of community partnerships that will assist existing companies to fulfill Triple Bottom Line business practices.

(1) *ATTRACTING NEW BUSINESS*

Given the concerns the Chamber has with respect to this initiative, we can only support the establishment of this Task Force if it can be proven to be successful in attracting new business. It is known throughout the community that there is a critical need to generate new business opportunities and create employment through retaining existing businesses, attracting new businesses, and generally diversifying the economic base of the City of Hamilton.

This need has been compounded over the past five years with the regular exodus of manufacturing jobs in this City. This disturbing trend has recently been perpetuated with the decision of Maple Leaf to walk away from a reinvestment opportunity in Hamilton. This decision not only jeopardizes approximately 800 current local jobs, but it also places into question the potential expansion of new jobs in the City. Perhaps even more critical is that increased effort must be made now to overcome the clear message permeating through the business community that many of those who are in a position of leadership in the City are prepared to reject future employment opportunities, even before the merits of that investment are fully examined.

In light of these most recent actions, the Chamber would only support this initiative, provided the following criteria are met with the establishment of the Task Force with respect to attracting new economic activity to the City. This initiative will only be supported by the Chamber if:

- (a) it complements and supports the community stakeholder approved Economic Development Strategy and enhances the work of the Economic Development Department;
- (b) it broadens the opportunities for retaining existing and attracting new industrial opportunities within the City;
- (c) it does not create an impediment for any business seeking to expand within or

relocate to the City of Hamilton including the introduction of another layer of approval; and

- (d) it increases the competitive advantage of the City of Hamilton over other competing jurisdictions that would represent an alternative to new and expanding industrial investment.

(2) PROVIDING INFORMATION

The Chamber fully supports any initiative that would provide information to help existing industries operate more effectively. We are unclear as to what kind of information might be provided or the evidence of a documented need for this information. However, if the information is helpful, this role of the Task Force can be supported.

(3) COMMUNITY PARTNERSHIPS

The Chamber has always supported the concept of developing partnerships to enhance business opportunities in the City of Hamilton. The Chamber therefore would support this role of the Task Force to provide partnering opportunities between existing businesses and other sectors of the community to strengthen their community investment.

SUMMARY

The Chamber remains very concerned about the adverse impact this resolution may have on the ability of the City of Hamilton to properly retain existing businesses and attract new business investment. In order for the Chamber to support such an initiative, the following three objectives must all be met. The Task Force work program must:

- (i) help existing businesses by providing useful and practical information and opportunities for community partnerships;
- (ii) help retain industrial users within the City of Hamilton who would otherwise consider an alternative location; and
- (iii) attract new business investment to the City of Hamilton that would otherwise locate in an alternative location.

Further, in order for the Chamber to support this initiative, the following must be in place:

- (a) The Task Force objectives and work program should be thoroughly reviewed by City of Hamilton staff.
- (b) The Task Force must develop a clear definition of "Triple Bottom Line Business

Practices" and be able to demonstrate the benefits of such practices to existing and potentially new businesses.

- (c) There must be a clear outline of the mandate, objectives and specific expectations with respect to achieving the three goals identified above.
- (d) There must be an understanding that not all industries will have the same balance of interests for all three elements of sustainability, i.e. social, environmental, economic.
- (e) There must be a thorough assessment of the staff resources that would be involved in this exercise. There is a concern from the Chamber that the resources available to the Economic Development Department are insufficient to achieve current objectives. Studies have shown that the staff complement in this department is far below those in competing jurisdictions.

In order to ensure that the City is properly able to compete with others in pursuing and retaining existing businesses and attracting new business opportunities, the Task Force should ensure that any additional staff resources do not undermine the ability of the Economic Development Department to continue to carry out its mandate. This Task Force should also be given the opportunity to assess, and increase the resources of the Economic Development Department so that it can carry out the increased workload generated by this Task Force, in addition to its current responsibilities, and further ensure it has the available resources to become comparable in size to competing jurisdictions.

- (f) The Task Force must establish an objective evaluation measure to assess its effectiveness in retaining existing businesses and attracting new business investment and should only continue to function as long as pre-determined targets have been achieved.

The Chamber remains concerned that the activities of the Task Force could severely undermine the economic development objectives of the City and potentially conflict with the number one priority of the City of Hamilton to promote economic development. Any proposal that would seek to use already limited municipal resources to undertake a program that would be counterproductive to accepted City objectives cannot be supported. If, however, the Task Force was clearly focussed on retaining existing industries and attracting new industries that would not otherwise locate in Hamilton, and it could clearly demonstrate how it would achieve those objectives, the Chamber would be prepared to support this initiative.

Respectfully submitted,

HAMILTON CHAMBER OF COMMERCE

Brian Wilson
President

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