

Date: March 27, 2016

To: Mayor Brocanier, Council Coordinator for Economic Development Services

Mr. Mayor, we are asking you, in your role as council coordinator for Economic Development Services, to respond to questions the CTA has on the proposed hiring of a "Manufacturing Attraction Specialist".

Mayor's Response:

First of all this is not a new position. This was a full time position in 2015 until our employee left near the end of the year to take a similar position in Port Hope. In fact we are replacing a full time position with a part time position that will be approximately 30% lower cost with flexibility built in to meet the requirements of such a position.

1. First we want to understand the rationale on how this hire fits into the Draft Economic Development Strategic Plan recently presented by Wendy Gibson at the March 14th Council of the Whole.

The Strategic Plan calls for focus on developing the Food Sector and Agri-business to attract and develop economic activity. This directional thrust is reiterated in the more detailed Action Plan.

Mayor's Response:

The Strategic Plan calls for focus on the Food Sector and the Agri-business is mentioned only once in the 6 Strategic Actions so the Agri-business is not a focus but one opportunity in the Food Sector.

- Nowhere in that Strategic Plan or the Action Plan does it state the need for (or call for) the hiring of a Manufacturing Attraction Specialist.

Mayor's Response:

Since we had a Manufacturing Attraction Specialist in 2015 and as I said previously, lost this person late in the year, we decided to update our Ec Dev Strategic Plan before advertising for a replacement. This way we will hire a person that will fit the Strategic Plan. Read the attached Job Description and Strategic Plan attached.

- The "Required Skills and Qualifications" in the job description for this position, make no reference to having a background or experience in Agri-business or the food processing sector. If the Town's focus is to be Agri-business, this person should have the experience, contacts and network in this focus area.

Mayor's Response:

Agri-business is NOT our focus but there are opportunities coming out of the Ontario Agriculture Food Venture Centre in Cramahe that we can take advantage of. An individual does need experience in the Agri-business to take product from the OAFVC to the next level of production. Furthermore we are looking for a Manufacturing Specialist who ideally will have a food manufacturing background but if not it is the other skills that are most important. We must have someone with a manufacturing background that understands the complete supply chain of the manufacturing process from suppliers to shipping finished product. We must have someone who can talk to manufacturing on their key focuses, raw material yields, operating efficiencies, changeovers, training, energy costs and skill requirements to name a few. Manufacturing food or widgets requires the same manufacturing process knowledge. ie the current Plant Manager at Belden, which makes specialty wiring comes from a food manufacturing background.

- In this era of shrinking manufacturing in Ontario (and North America) there is a need to specialize and focus, as per the Strategic Plan. From looking at this job description, a shotgun approach is being taken.

Mayor's Response:

In Cobourg we have greater success in manufacturing than the provincial average. We have 2 recognized areas of strength and that would be food manufacturing and the plastics industry. We will always focus on building on these strengths to create a manufacturing cluster. However, there are also other opportunities that we will pursue with our Manufacturing Attraction Specialist.

These discrepancies indicate a disconnect between the Strategic and Action Plans going forward and this proposed new hire.

How do you reconcile this gap?

Mayor's Response:

I have attached the job description which was posted on line and the Strategic Plan, if you read them you will see the job description aligns perfectly with the Strategic Plan Objective 3: Manufacturing attraction with focused target markets.

2. Second, how will this position be measured for success on an ongoing basis? This job description is open ended and will require specific targets to understand its effectiveness. Best practices always advise that when creating a position there should be measurable targets to judge performance. Additionally, when implementing a new position, it is often desirable to make it a contract position to allow for more options down the road.

What then is the specific deliverable you expect from this position and what are the performance measures that will determine success?

Mayor's Response:

Again, this is not a new position but a replacement position. Our targets will be the number of opportunities produced, the contacts made and the follow ups both in numbers and response times. In landing a new food manufacturing business for Northam Industrial Park recently our former Manufacturing Attraction Specialist was key in making the contact and constantly following up with the proponent. Unless you are in the business you cannot appreciate the number of meetings, questions, phone calls and emails that were exchanged between the proponent myself and our employee. Without his constant and instant responses to questions and concerns we would not have been successful in signing this new business to a lease.

The article in the link below from economist Ben Casselman spells out the reason why manufacturing jobs are not coming back to North America. Politicians saying they will get manufacturing jobs are misleading the public.

To quote Casselman,

"There is nothing wrong with politicians' trying to save what remains of U.S. (North American) manufacturing, nor with trying to avoid repeating old mistakes on trade. But like it or not, the U.S. (North America) is now a service-based economy. It's time candidates started talking about making that economy work for workers, rather than pining for one that's never coming back."

http://fivethirtyeight.com/features/manufacturing-jobs-are-never-coming-back/?utm_source=nextdraft&utm_medium=email

This is a commitment of taxpayers' money of \$43,680 per year plus a comprehensive benefits package. Hiring staff, even part-time, creates a significant commitment and liability over the coming years. There is no question that having commercial enterprises locating in Cobourg is positive. Bringing in jobs and families adds to the Town's vibrancy and increasing the tax base would help to alleviate the tax burden on both residents and businesses.

We do not see the laser focus in this job that the current business environment requires.

So, to summarize, the questions are:

1. How does this position as described fit the Town's Economic Development Strategic Plan?
2. What are the measurements that will determine this position's effectiveness?

Thank you for your consideration to our inquiry.

Dennis Nabieszko
Secretary, CTA

Bill Stuckey
Advisory, CTA