



# Manufacturing Sector Strategy

Hamilton City Council Presentation | January 2023



# An opportunity for growth

**Manufacturing is a core foundation of Hamilton's economy. This strategy represents a refreshed approach for keeping it that way.**

The manufacturing sector is undergoing transformative change following the COVID-19 pandemic. Investors are increasingly prioritizing resilient supply chains, talent availability, innovative technology, robust infrastructure and flexible business models.

**This sector strategy is a call to action and provides a prioritized framework to capitalize on these trends and accelerate investment.**

## Current sector impact

**Hamilton's manufacturing sector plays a key role in Ontario's economy** — generating sales of over \$21B in 2021 and growing annually by 7.2% on average.

## Global growth trajectory

**The global manufacturing sector continues to demonstrate growth** — with the global market expected to grow by more than 12% by 2027.

# Manufacturing sector strategy objectives



Create a **call to action** which promotes sector collaboration to help increase domestic and international investment.



Leverage **key strengths and address roadblocks** to maximize competitive advantages and unlock growth opportunities.



Increase and retain **investor attention** by developing an effective value proposition for Hamilton's manufacturing sector.

# Key advantages and strengths

Leveraging strengths within the sector and the city's advantages will help grow Hamilton's manufacturing sector and attract investment.

## Sector strengths



## City advantages



# Key challenges

Growth and continued evolution of manufacturing requires the mitigation of challenges and foreseeable roadblocks.



High impact

Moderate impact

# Key opportunities

Hamilton has a strong and long-standing manufacturing base to build from and expand. Key opportunities for accelerating growth in this sector include:



## Clean energy transition

Hamilton's climate action strategy, ReCharge Hamilton, aligns with federal and provincial ambitions, and will focus on accelerating clean energy use in the manufacturing sector.



## Labour attraction

Hamilton's manufacturing sector requires skilled workers and individuals with STEM skillsets that can drive innovation and technological adoption. The sector can fill its labour needs by attracting post-secondary graduates and immigrants, as well as promoting careers in manufacturing to high school students.



## Leveraging existing assets

Hamilton is home to an advanced manufacturing supercluster, and together with NGen, CANMET and nearby universities and colleges, offers potential for strong synergy supported by collaborative partnerships, research and innovation.



## End-to-end ecosystem enhancement

Integration of the value chain can be an added benefit to Hamilton's strategic location, which offers an end-to-end ecosystem that can decrease reliance on imports and offshore suppliers.

# Hamilton manufacturing sector strategy on a page



## VISION

We will harness our strategic location, resilient community and proud industrial legacy to produce leading businesses in advanced manufacturing and a more prosperous, sustainable Ontario.

## Strategic pillars



### Building to our strengths

We will continue to support and grow our established manufacturing subsectors.



### Attracting talent

We will be a magnet for human capital, focusing on both the next generation and newcomers.



### Getting ahead of the curve

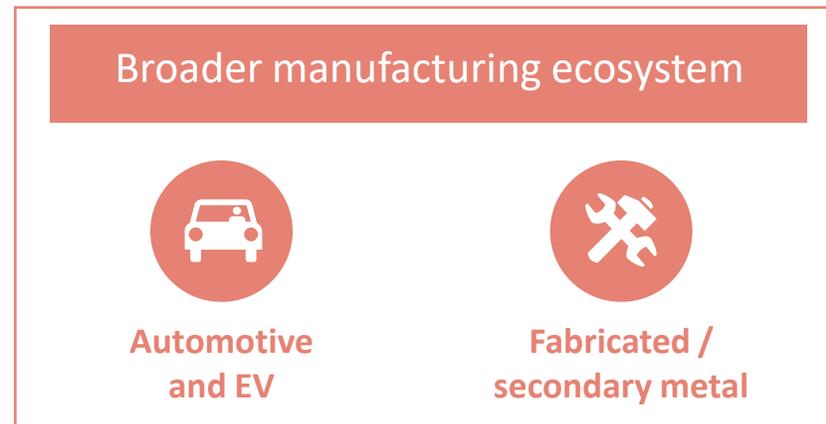
We will prioritize manufacturing opportunities that accelerate the transition to a low carbon economy.

## Key enablers

<b>Industry innovation support</b> (e.g., McMaster University, Mohawk College, Canmet MATERIALS MMRI)	<b>Port of Hamilton</b>	<b>Hamilton Immigration Partnership Council</b>	<b>Federal and provincial initiatives</b>	<b>Talent pool and quality of life</b>	<b>Development opportunities</b> (e.g., Bayfront Industrial Areas Strategy)	<b>Rail and road network</b>	<b>Hamilton International Airport</b>
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# Spotlighted sectors and subsectors

Spotlighted subsectors include areas where Hamilton has a competitive advantage and where national and international growth opportunities exist in the near and long-term. Subsectors that are economically important to Hamilton's broader manufacturing ecosystem were also identified.



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# Appendices



# Hamilton's value proposition

**Hamilton offers a vibrant manufacturing cluster that combines a strategic location, innovative and collaborative community with an industrial heritage that produces leading companies in advanced manufacturing.**

Hamilton is committed to supporting the manufacturing sector in meeting global sustainability objectives and providing a competitive business environment for investment. The city is focused on building on its strengths and enabling the emergence of new subsectors, innovation and new business models.

Hamilton's strategic location offers reliable and resilient access to world markets and trade routes. Companies have access to a modern, multi-modal transportation network with unparalleled ability to move their goods.

# Building on our strengths (1/2)

Key Items	Strategic Opportunities	Actions
<p><b>Movement of goods</b></p>	<p>Seek opportunities to support building on/promote Hamilton’s existing multi-modal transportation network and the presence of the required capabilities and capacity to continue to support the efficient movement of goods across Canada and internationally.</p>	<ul style="list-style-type: none"> <li>• In partnership with Hamilton Oshawa Port Authority (HOPA), <b>seek to further build the Port of Hamilton’s capacity and promote opportunities</b> to support local manufacturers including small- to mid-size enterprises (SMEs).</li> <li>• Seek <b>partnership opportunities for the Port of Hamilton</b>, including the expansion of current partnerships like the one with the Port of Montreal, to further connect the City to major international shipping lines.</li> <li>• <b>Continue to promote the City’s strengths</b> as it relates to the multi-modal movement of goods to potential investors (both domestic and international) and ensure manufacturing is top of mind for the city’s transport and logistics-related strategy.</li> <li>• <b>Maintain a well-connected road network</b> to and from Hamilton’s industrial zones to allow for the efficient movement of goods via trucks and to ensure the manufacturing sector is a leading priority with the city’s transport and logistics-related strategies.</li> <li>• <b>Undertake an agricultural/food value chain analysis</b> to better understand industry opportunities.</li> </ul>
<p><b>Further enhancement of Hamilton as a ‘business friendly’ city</b></p>	<p>Streamline approvals processes and associated timelines to further support businesses (focused on manufacturing/industrial developments) looking to enter / expand into Hamilton. Focus to be given to the development review process for greenfield and brownfield development.</p>	<ul style="list-style-type: none"> <li>• <b>Advocate for a review of the city’s development approval process</b> to identify pain points and actions to further Hamilton as a leading ‘business friendly’ jurisdiction.</li> <li>• <b>Identify leading practices</b> from international jurisdictions which have streamlined an efficient government approvals process for investment attraction (and decarbonization) that can be implemented in Hamilton.</li> <li>• <b>Advocate for an assessment of Hamilton’s energy supply</b> to identify/assess potential challenges for stakeholders and encourage the development of associated recommendations for improvement.</li> </ul>

# Building on our strengths (2/2)

Key Items	Strategic Opportunities	Actions
<p><b>Promote sector collaboration</b></p>	<p>Identify and promote a recognized organization/team which will serve as a voice for the sector and ensure key stakeholders unite under a clear vision and future direction.</p>	<ul style="list-style-type: none"> <li>• <b>Spotlight the City’s Economic Development Office</b> as a key source of information to stakeholder groups across the city including businesses, academia, and associated organizations.</li> <li>• <b>Promote partnerships and collaboration within the manufacturing sector</b> across stakeholder groups by hosting information sessions and opportunities for industry to provide input into the implementation of key action items.</li> <li>• <b>Enhance collaboration with industry other levels of government</b> to promote Hamilton’s brand and capabilities as a manufacturing hub at international industry events (e.g. Paris Air Show, Inter Solar Europe, the Cleveland Manufacturing and Technology Show).</li> </ul>
<p><b>Accelerate the growth of start-ups and scale-ups through improved access to capital</b></p>	<p>Seek opportunities to increase access to capital for companies within Hamilton’s manufacturing ecosystem.</p>	<ul style="list-style-type: none"> <li>• Working with provincial and federal governments, including organizations such as Consider Canada Cities Alliance, look to <b>advocate on behalf of Hamilton companies for funding</b> to help increase the availability of capital (with focus to be given to organizations seeking to transition to a low carbon economy).</li> <li>• <b>Explore opportunities to engage with the broader investor landscape</b>, including those who are not currently focused on the sector in Hamilton but may have potential interest in manufacturing/low carbon energy transition.</li> </ul>

# Getting ahead of the curve (1/2)

Key Items	Strategic Opportunities	Actions
<p><b>Clean energy transition</b></p>	<p>Support and promote opportunities for stakeholders across the sector to transition to low carbon and clean energy sources.</p>	<ul style="list-style-type: none"> <li>• <b>Develop concierge services</b> within the City’s Economic Development Office and Invest in Hamilton that are focused on connecting companies with accessing available resources or appropriate expertise from community groups related to decarbonization.</li> <li>• Work with key stakeholders to <b>develop an industry-focused decarbonization transition roadmap</b> that supports local industry in achieving decarbonization targets by understanding areas of opportunity for reducing carbon emissions.</li> <li>• Working with key stakeholders, <b>undertake a match-making exercise</b> to connect innovative start-up companies focused on decarbonization with established companies focused on clean energy transition.</li> </ul>
<p><b>Future skills development</b></p>	<p>Work with academia, and apprenticeship and training programs to ensure focus is given to developing the required skillsets across the ecosystem in the near and long-term.</p>	<ul style="list-style-type: none"> <li>• Partner with key stakeholders (e.g. Workforce Planning Hamilton) to <b>undertake a detailed assessment of the future skill needs</b> of Hamilton’s manufacturing companies, with a focus on the spotlighted subsectors.</li> <li>• Work with academia and apprenticeship programs to <b>promote upskilling/reskilling opportunities</b> to ensure appropriate technology skillsets are present across the labour pool.</li> <li>• <b>Explore opportunities to leverage Hamilton-based manufacturing skills initiatives</b>, including upstream programs such as the Specialist High Skills Major program, Skills for Steel and the ArcelorMittal Dofasco Mohawk collaboration to bridge the structural challenges within the talent pipeline and mitigate local skills gaps.</li> <li>• Work with the Ontario Ministry of Labour, industry, academia, and training programs to <b>develop a 10-year talent pipeline roadmap</b> to foster innovation within the sector and better meet future resourcing needs.</li> </ul>

# Getting ahead of the curve (2/2)

Key Items	Strategic Opportunities	Actions
<p><b>Technology adoption</b></p>	<p>Seek opportunities to promote accelerated technology adoption across Hamilton’s manufacturing supply chain.</p>	<ul style="list-style-type: none"> <li>• Working with the provincial and federal governments, <b>raise awareness of incentive programs that are available</b> for companies looking to further adopt technology into their business.</li> <li>• <b>Identify potential areas of low technology adoption</b> across the city’s supply chain and provide information related to incentive programs and/or upskilling/reskilling opportunities that could support the sector and related manufacturing processes.</li> <li>• <b>Strengthen collaboration and partnerships across sectors</b> to facilitate the crossover of technology (especially for startup companies) in this space through pilot projects and accelerate its readiness for adoption.</li> </ul>
<p><b>Alignment with city initiatives</b></p>	<p>Seek alignment and opportunities to leverage existing city initiatives to further support growth of the manufacturing sector and transition towards decarbonization.</p>	<ul style="list-style-type: none"> <li>• <b>Expand the Economic Development Office’s collaboration within the City’s key working groups</b> focused on initiatives which have potential impact on the manufacturing sector.</li> <li>• <b>Further support the city’s focus on a low carbon economy</b> by continuing to promote decarbonization across the industry, including principles related to the transition across all manufacturing-related initiatives.</li> </ul>
<p><b>Alignment with provincial and federal initiatives</b></p>	<p>Leverage provincial and federal government initiatives to support sector growth. Ensure focus is given to subsectors where Hamilton’s manufacturing sector has a distinct value proposition within Canada.</p>	<ul style="list-style-type: none"> <li>• <b>Host a ‘Queen’s Park Day’</b> with key provincial officials to further build partnerships with provincial counterparts and raise awareness about challenges facing Hamilton’s manufacturing sector, the new sector strategy, future focus and spotlighted subsectors.</li> <li>• <b>Host a ‘Day on the Hill’</b> to build awareness of Hamilton’s strengths at a federal level, key challenges which can be supported by the federal government, and build awareness of the City’s future focus for the manufacturing sector.</li> </ul>

# Attracting talent and jobs (1/2)

Key Items	Strategic Opportunities	Sample Actions
<p><b>Attracting immigrants</b></p>	<p>Successful attraction of immigrants to Hamilton is a key pillar for ensuring a future robust manufacturing talent pool.</p>	<ul style="list-style-type: none"> <li>Working with Global Hamilton and Innovation Factory's Start-up Visa Program, seek to <b>promote Hamilton as a first landing spot</b> for new immigrants entering Canada.</li> <li>Working with Hamilton Immigration Partnership Council and Global Hamilton Office, <b>raise awareness of employment and upskilling opportunities for immigrants</b> across the sector.</li> <li>Working with the provincial and federal governments, <b>increase Hamilton's participation in the Ontario Immigrant Nominee Program (OINP) and related-federal initiatives</b> (such as the Federal Skilled Trades Program and the Municipal Nominee Program (MNP)).</li> </ul>
<p><b>Attracting new graduates</b></p>	<p>Promote new and emerging opportunities to students (with a focus on elementary and high school students) can help dispel myths about future employment opportunities in the sector.</p>	<ul style="list-style-type: none"> <li>Further <b>leverage existing programs and partner with the Industry Education Council (IEC) and local high schools</b> to leverage existing career fairs/undertake information sessions and highlight potential future opportunities within the sector.</li> <li>Working with colleges and apprenticeship programs, <b>seek to brand manufacturing as an attractive career choice</b> for new graduates – especially women – with STEM knowledge.</li> </ul>
<p><b>Attracting skilled workers</b></p>	<p>As the sector looks to transition towards areas which increasingly rely on technology and innovation, attracting skilled workers with experience will be a core requirement for ongoing sector growth.</p>	<ul style="list-style-type: none"> <li><b>Undertake detailed assessment of the 2021 National Occupational Classification (NOC) database</b> (following release) to further identify the current state of Hamilton's labour pool across key subsectors.</li> <li><b>Increase collaboration</b> (including information sharing) with manufacturing accelerators/incubators across Canada's innovation corridor to promote a flow of employment opportunities to potential talent.</li> <li><b>Strengthen partnerships with academia and recruiters</b> (including employment liaison officers) to promote new opportunities to recent graduates, mid-level talent and executives within the city's subsectors.</li> <li><b>Promote the city's quality of life and affordability</b> (relative to neighbouring jurisdictions across the Greater Toronto Hamilton Area).</li> </ul>

# Attracting talent and jobs (2/2)

Key Items	Strategic Opportunities	Sample Actions
<p><b>Brand</b></p>	<p>Provide key stakeholders – including champions across municipal, provincial, and federal governments – with comprehensive knowledge and confidence in the long-term sustainability of Hamilton’s manufacturing sector, including the focus on becoming a low carbon manufacturing hub.</p>	<ul style="list-style-type: none"> <li>• <b>Undertake a targeted campaign</b> focused on highlighting the Hamilton’s vision for the future, the sector’s focus on decarbonization and the spotlighted subsectors to key stakeholders across Ontario and Canada.</li> <li>• <b>Identify champions</b> within key stakeholder groups and arm them with compelling messaging and up-to-date information about wins/opportunities and awareness about the sector’s journey towards a low carbon economy.</li> <li>• <b>Increase buy-in from provincial and federal government leaders</b> by highlighting how successful decarbonization across Hamilton manufacturing can help strengthen Canada’s and Ontario’s manufacturing brand.</li> </ul>
<p><b>Getting and keeping investor attention</b></p>	<p>Partner with the provincial and federal governments, and local manufacturing companies (as appropriate) to promote the city’s competitiveness and unique standing as a leading manufacturing hub that is focused on transitioning to a low carbon future.</p>	<ul style="list-style-type: none"> <li>• Participate in <b>targeted federal and/or provincial trade missions</b> related to the manufacturing sector.</li> <li>• <b>Develop targeted investor lists and tailored pitch books that</b> highlight Hamilton’s cost competitiveness against peer jurisdictions and the city’s unique standing as an emerging low carbon manufacturing hub in North America.</li> <li>• <b>Support companies with investment attraction bids</b> by providing resources and information (e.g. data and information on operating costs within the city; municipal, provincial, and federal supports including available grants, etc.).</li> </ul>

# Movement of goods

Hamilton is in the centre of the most densely populated corridor of economic activity in Canada and within close range of key major urban markets in Canada and the US.

The city is supported by a network of highways, international rail lines, local air connections, and the Port of Hamilton.

This multi-modal transportation network provides the city with an ability to support the effective movement of goods – a key differentiator for the manufacturing sector.



## Location

- Access to a network of highways within one hour of Toronto and the US Border.
- Only city in the region which has all modes of transportation within the municipal boundary (air, sea, road, and rail).
- The Hamilton Airport Employment Growth District (AEGD) business park is slated for a new development of over 8 million sq. ft. in the next 5 years.



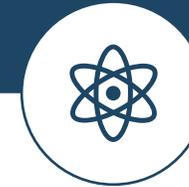
## Strategic Infrastructure

- Home to two international border services available 24/7 – the Hamilton Oshawa Port Authority (HOPA), and the John C. Munro Hamilton International Airport.
- Abundant connectivity to provincial highways, and Canadian National (CN) and Canadian Pacific (CP) rail lines.



## Free Trade Agreements

- Home to a Foreign Trade Zone (FTZ) that acts as a hub for international trade and allows for tariff and tax exemptions, duty relief programs, and exclusive concierge investment services.
- Access to Canada's 15 free trade agreements (FTAs) with 51 countries.



## Other Benefits

- Lower cost of commercialization and bringing products to market, where the cost of business is 50% lower than in the GTA.
- Home to nine business parks with well-established supply chains and support networks.
- Access to a resident labour force of 400,000 within a 100km radius and over 2 million people within an hour drive.

# Related City and stakeholder initiatives (1/2)

The City and relevant stakeholders run several programs and initiatives aimed at supporting the manufacturing sector and growing the economy more broadly. A key focus of these initiatives includes a focus on attracting new businesses and top talent, and becoming the city of choice for newcomers to Canada. These initiatives can be leveraged to address challenges and support accelerated growth of the manufacturing sector.



## Hamilton Region Decarbonization Hub

A Hamilton Region Decarbonization Hub has been approved by Council that will engage national and international stakeholders in supporting Canada's ambitions to achieve net-zero by 2050. The hub will serve as the intersection of multiple government priorities in climate action work and will focus on exploring solutions in the steel manufacturing subsector before scaling up for adoption in other manufacturing subsectors. The initiative is to be aligned with the Hamilton Climate Change Action Strategy.



## Industry Education Council (IEC)

The council supports career exploration through programming, group mentoring and facilitating partnership discussions, to help local business showcase their sector to their future workforce, through practical hands-on learning opportunities. Each year, the Hamilton IEC's programs directly engage over 2,700 students and 300 employers. There is an opportunity to leverage the IEC to raise awareness about career opportunities in the manufacturing sector.



## Hamilton Immigration Partnership Council (HIPC)

HIPC is a community table that seeks to create a seamless settlement experience for immigrants in Hamilton. HIPC was established in 2009 as one of Canada's first local immigration partnerships, a network that has now spread across the country and includes more than 75 similar local initiatives. The Council serves as an important broker in helping newcomers connect to local labour market opportunities in manufacturing.



## Hamilton Sector Strategies

The City has developed sector strategies aimed at furthering growth and investment attraction. More recently, the City has developed a Life Sciences Strategy which included biomanufacturing as a spotlighted subsector. Additional initiatives include a focus on clean transportation methods, and transport and logistics. The objective is to ensure that these strategies collectively support economic growth for the City. The City is also in the process of initiating a workforce strategy.

# Related City and stakeholder initiatives (2/2)

The City and relevant stakeholders run several programs and initiatives aimed at supporting the manufacturing sector and growing the economy more broadly. A key focus of these initiatives includes a focus on attracting new businesses and top talent, and becoming the city of choice for newcomers to Canada. These initiatives can be leveraged to address challenges and support accelerated growth of the manufacturing sector.



## **Bayfront Industrial Area Strategy**

The City of Hamilton is engaged in a revitalization project of Hamilton's Bayfront Industrial Area, which will create significant development opportunities for manufacturers. The Bayfront Industrial Area is a 1,607-hectare mixed industrial area on the shore of Hamilton Harbour and adjacent to some of the city's oldest neighbourhoods. The Strategy is a high-level, long-term vision and action plan to guide future improvements, investments and redevelopment.



## **Hamilton's Climate Action Strategy**

Approved in August 2022, the City, along with the broader community, have committed to undertake various actions that accelerate Hamilton's transition to a prosperous, equitable, and resilient post-carbon City. Hamilton's Climate Action Strategy advances the City's response to the Climate Change Emergency Declaration and consists of two major streams: (1) climate mitigation (i.e., reduction of greenhouse gases; and (2) climate adaptation (i.e., decreasing impacts and preparing for the unavoidable impacts of a changing climate).