

15TH EDC INDUSTRY STAKEHOLDER PANEL (2020)

EXECUTIVE SUMMARY

INTRODUCTION

Export Development Canada's (EDC) Industry Stakeholder Panel is composed of representatives from national industry and business associations, representing companies of all sizes from a variety of sectors. The panel gathers annually to discuss trade related matters and provide input on how EDC can more effectively support Canadian companies. In light of COVID-19 and its impact on the Canadian economy, this year's discussions were focused on how Canadian companies are approaching economic recovery and how EDC could best support our stakeholders and their members through this uncertain period. The Stakeholder Panel was also held virtually for the first time this year in accordance with public health guidelines and COVID-19 travel restrictions. To ensure ample time to hear from each panel member, participants were divided into two groups to allow for smaller virtual discussion groups with EDC's executive team. Three new participants joined the Panel in 2020: Business Council of Canada, Canadian Council for Aboriginal Business and WEConnect International. The two sessions were also attended by several senior officials from the Government of Canada to observe the discussions and receive direct feedback on the COVID-19 response. This executive summary provides a brief account of the two virtual sessions held on June 18, 2020.

HIGHLIGHTS FROM THE STAKEHOLDER PANEL DISCUSSIONS

Mairead Lavery, President & CEO, EDC, opened both sessions of the Stakeholder Panel, welcomed the group and thanked them for their ongoing support particularly during the pandemic. She noted that the feedback received through these sessions is invaluable as EDC reflects on what products and services they need to provide to support the industries and identify opportunities for global export once the economy opens again.

Stakeholder Panel moderator, Stephen Tapp, provided each panel member an opportunity for 4-5 minutes opening remarks before moderating an open discussion. As discussions began, panel members were asked to consider the following questions:

1. How has COVID impacted the business context and outlook for your members?
2. How are your members approaching the economic recovery?
3. Have your members identified new opportunities as a result of this crisis?
4. How can EDC help to further enhance your member's trade priorities?

KEY THEMES FROM STAKEHOLDER PANEL DISCUSSIONS

Cross-Cutting Themes from Sessions 1 and 2

- **Sectors have not been impacted equally:** Panelists recognized that certain sectors of the Canadian economy were more adversely impacted by COVID-19 with specific sectoral support measures needed for industries most impacted. Not every industry is in the same phase of recovery at the same time.
- **Blanket solutions will not suit recovery:** Government programming needs to recognize that a one size fits all approach will not fully address the needs for business as some panelists emphasized the need for sectoral support measures.
- **The world has changed, and we need to change with it:** Participants referenced the concept of build back better and indicated that returning to the way things were will not be an option for many businesses in Canada. There was a focus on ensuring that the future Canadian economy is resilient, sustainable and able to better withstand future shocks.
- **A sense of urgency is required:** The speed of which organizations such as EDC can respond to the needs of business is crucial as delays in service delivery and programming gaps can negatively impact the ability of businesses to recover.
- **Businesses are displaying their nimbleness:** Several participants noted that businesses have been finding new ways to operate in light of the pandemic with e-commerce, new business models and new channels to find customers being quickly embraced.
- **Hospitality and tourism have been decimated:** Panelists representing small business were particularly concerned at the ability of this industry to recover as research has indicated many of these businesses are close to failing.
- **Accelerated digital workplaces:** Canadian business has quickly embraced technology to ensure their operations and workforce remained productive. This has underscored the importance of adopting a digital strategy.
- **Need to drive consumer demand, locally and globally, for “Made in Canada” goods:** Canada’s brand is strong internationally, and this can be used to our advantage. Furthermore, panelists spoke about the need to ensure Canadians have access to essential items such as PPE and that these items be produced in Canada to prevent shortages or shipment delays.
- **PPE and other COVID-related costs are difficult on businesses and on budgets:** Adding to uncertainty, businesses need access to PPE and new safety protocols require businesses to incur additional costs which need to be factored into business planning.
- **A second wave may be catastrophic:** As businesses enter new stages of economic reopening, there is fear that a second wave of COVID-19 and subsequent restrictions would have a devastating impact on Canadian business, with many unable to recover.

- **Travel restrictions and quarantine requirements are having a big impact:** Both in Canada and globally, the inability to meet customers in person, travel to trade missions or even cross provincial boundaries has caused additional pressures for companies of all sizes.
- **Public policy needs to have a growth agenda:** Canada should focus on boosting economic growth to aid business recovery and support the economic rebound needed.
- **Liquidity and financing are a big challenge:** Access to liquidity and capital was a common theme raised during the discussions as many businesses had urgent cash needs during the onset of the crisis. Panelists continue to closely monitor the needs of their members and continue to advocate for programming that addresses the barriers to accessing capital.
- **Protectionism is a real concern:** There has been a rise in protectionism, a resurrection of boundaries and an attack on internationalism. Some panelists expressed their concern that the rules-based trading system is facing strong headwinds resulting in increased uncertainty for Canadian industry.

RECOMMENDATIONS FOR EDC

In summary, participants suggested that EDC consider the following:

Ensure the timely delivery of financing and insurance products: EDC received feedback during the session that delays in delivering financing to companies in need was causing concern. EDC was asked to continue its efforts to work with financial institutions to ensure the any backlog or barriers to accessing financing be addressed to allow for a more seamless customer experience.

Consider increasing its risk appetite: EDC's risk appetite has been raised by Canadian business as a point of feedback and that any considerations in taking on more risk to support companies would be welcome.

Continue to promote the benefits of exporting: EDC was asked to continue to promote the benefits of exporting as a way to grow business. With the pandemic increasing uncertainty, panel members did not want to see their members postpone their export plans and asked EDC to continue their efforts in developing export resources such as webinars, trainings and knowledge products.

Help to identify high potential companies: EDC was asked to support the identification of high growth companies and offer them coordinated services to help them continue their growth into international markets.

APPENDIX: EDC INDUSTRY STAKEHOLDER PANEL PARTICIPANTS (2020)

Session One Participants

Business and Industry Representatives

Ben Chalmers, Senior Vice President, Mining Association of Canada
Dennis Darby, President and CEO, Canadian Manufacturers & Exporters
Vince Guglielmo, Vice President, Strategic Partnership & Business Development, Automotive Parts Manufacturers Association
Goldy Hyder, President and CEO, Business Council of Canada
Bob Kirke, Executive Director, Canadian Apparel Federation
Tim McMillan, President and CEO, Canadian Association of Petroleum Producers
Derek Nighbor, President & CEO, Forest Products Association of Canada
Corinne Pohlmann, Senior Vice President, National Affairs & Partnership, Canadian Federation of Independent Business
Darrell Schuurman, Co-Founder and CEO, Canadian Gay & Lesbian Chamber of Commerce
Mary Van Buren, President, Canadian Construction Association

EDC Representatives

Carl Burlock, Executive Vice President & Chief Business Officer, Export Development Canada
Mairead Lavery, President and CEO, Export Development Canada
Stephen Tapp, Deputy Chief Economist, Export Development Canada
Todd Winterhalt, Senior Vice President, Communications & Chief Strategy Officer, Export Development Canada

Government of Canada Representatives

Ailish Campbell, Chief Trade Commissioner of Canada & Assistant Deputy Minister, Global Affairs Canada
Paul Halucha, Assistant Secretary to the Cabinet, Economic and Regional Development Policy, Privy Council Office
Kent Howie, Senior Advisor to the Deputy Minister, Finance Canada

Session Two Participants

Business and Industry Representatives

The Hon. Perrin Beatty, PC, OC, President & CEO, Canadian Chamber of Commerce
Claire Citeau, Executive Director, Canadian Agri-Food Trade Alliance
Stephanie Fontaine, Country Director, Canada, WEConnect International
Denis Leclerc, Chairman, CanadaCleantech Alliance & President & CEO, Écotech Québec
Ryan McEachern, Managing Director, Mining Suppliers Trade Association Canada
Paul-Emile McNab, Director, Business Development & Strategic Initiatives, Canadian Council for Aboriginal Business
Mindy Pearce, Advisor, Policy and Government Relations, Canadian Association of Defence and Security Industries

EDC Representatives

Carl Burlock, Executive Vice President & Chief Business Officer, Export Development Canada

Mairead Lavery, President and CEO, Export Development Canada

Stephen Tapp, Deputy Chief Economist, Export Development Canada

Todd Winterhalt, Senior Vice President, Communications & Chief Strategy Officer, Export Development Canada

Government of Canada Representatives

Ailish Campbell, Chief Trade Commissioner of Canada & Assistant Deputy Minister, Global Affairs Canada

Kent Howie, Senior Advisor to the Deputy Minister, Finance Canada

Frances McRae, Assistant Deputy Minister, Small Business & Marketplace Services, Innovation, Science & Economic Development Canada