



**Business Council
of Manitoba**

Roadmap to Economic Recovery

Economic Recovery Task Force of the Business Council of Manitoba

Presentation

May 12, 2020

Business Council of Manitoba Economic Recovery Task Force

Business Council of Manitoba Economic Recovery Task Force

Barb Gamey – Founder, Payworks

Curt Vossen – President & CEO, Richardson International

Dan McKeen – Vice Chair, BellMTS & Western Canada

Edward Kennedy – President & CEO, The North West Company

Gerry Price – CEO, Price Industries

Jamie Brown – CEO & Executive Producer, Frantic Film

Jason Stefanson – Vice Chairman & Managing Director, CIBC

John Bockstaal – President & CEO, Bockstaal Construction

Mark Chipman – Chairman, True North Sports & Entertainment

Paul Mahon – President & CEO, Canada Life

Paul Soubry - President & CEO, NFI (New Flyer Industries)

Rick Duha – Managing Director, The Duha Group

Rob Penner – President & CEO, Bison Transport

Bram Strain – CEO, Business Council of Manitoba

Terms of Reference and Work Plan

On April 16th, the Business Council established its Economic Recovery Task Force of 14 CEOs/ leaders representing various sectors of the Manitoba economy, to focus on creating an environment of recovery and creation of jobs and wealth in Manitoba.

The Task Force's objective is to provide practical, strategic advice and guidance to government.

The Task Force established a work plan consisting of four distinct and concurrent tasks:

1. Engagement / information and idea gathering
2. Identification of key themes and actions
3. Research-based solutions and actions
4. Roadmap to recovery

To provide support for timely execution of the work plan and the economic recovery roadmap, the Business Council of Manitoba engaged KPMG (Stu Duncan, Partner, Advisory Services) to work closely with the CEO of the Business Council.

Manitoba Strong – Leverage Our Advantages

Manitoba Strong – Leverage Our Advantages

- Manitoba has been a leader in containing COVID-19 through government leadership in effective emergency and health measures, and the incredible response of our healthcare system, healthcare workers, and Manitobans.
- Our society and economy have been immensely disrupted by the pandemic, in very short order, with serious short-term and longer-term consequences.
- Manitoba was built by people with foresight and determination. Our advantages have been the result of an accumulation over many decades. These same advantages have helped our province be resilient and stable through recessionary periods in our history.
- We believe that efforts to focus government bridge support for business should be on the Manitoba companies we have. Recognize that the companies, entrepreneurs and organizations that live, work and invest in Manitoba cannot be easily replaced and re-built. The business ecosystem is highly connected and integrated, and substantive losses in parts will impact the whole, and with downstream impacts for people, jobs, charitable donations, and community support, as well as taxes and revenues for governments.

Federal Advocacy for Provincial Needs

- The Government of Manitoba is strongly advocating Manitoba's interests with the Government of Canada, and these efforts are encouraged by Manitoba business and Manitobans. Funds from the new Large Employer Emergency Financing Facility and the Business Credit Availability Program need to flow and it is becoming increasingly apparent that these types of support are required beyond current timelines of certain programs.
- The North and rural Manitoba requires special attention for inclusion in Federal programs such as Northern air and transportation; oil well remediation; tourism; and improved telecommunications / broadband.
- Changes in legislation / regulation on credit protection and indemnification / liability will be required in this extraordinary time.

Summary of Key Areas for Action

REACTION	RESILIENCE	RECOVERY	NEW REALITY
Respond to crisis	Manage through uncertainty	Growth opportunities	Adapt to a new world
Survive (short-term actions)		Thrive (medium and longer-term actions)	
1 Balanced Communications 2 Workplace Health & Safety Protocols and Phased Re-Opening 3 Bridging Liquidity & Working Capital Requirements 4 Federal Advocacy for Provincial Needs 5 Maintain Education Investment & Increase Student Support 6 Infrastructure Investment & Prioritization 7 Manitoba Strong – Leverage Advantages		1 Coordinated Action Plan 2 Transforming Ways of Working & Training Talent 3 Policy Reform 4 Digitization in the Public Sector 5 Supply Chain & Manufacturing 6 Environment 7 Addressing Debt Burden	

Priority Recommendations – Short-term

The Business Council's Roadmap provides several recommendations organized by 7 areas of action for the short-term and 7 areas for action for the medium and longer-term (as outlined in the previous slide). Please see the Task Force's Economic Recovery Roadmap that outlines all recommendations. Below, we outline 5 of the highest priority recommendations for the short-term.

Balanced Communications	<p>Recommendation:</p> <p>→ Develop a public / advertising campaign to message that appropriate health and safety protocols are in place for a phased re-opening of the economy. Balance daily communications on both health developments, including enhanced data and system capacity, and getting Manitobans back to work, adjusting and living with a new normal. Need to consistently message the resilience and strength of our province moving forward and inspire public and consumer confidence.</p>
Workplace Health & Safety Protocols and Phased Re-Opening	<p>Recommendation:</p> <p>→ Manitoba requires clear, consistent protocols and standards for any business to operate. Synthesize information (in one publicly available location), and provide a concise protocol with clarity, transparency, and a reporting mechanism for violations. In future phases, consider a more protocol-based approach than specific categories of business. Public confidence should be further re-assured by a government commitment and investment in testing and tracing, and ensuring adequate PPE supplies for Manitobans. Manitoba needs to immediately position itself for the purchase of adequate supplies of materials for potential vaccines and medicines.</p>
Bridging Liquidity & Working Capital Requirements	<p>Recommendation:</p> <p>→ Government support to bridge liquidity and working capital for businesses and organizations is critical to maintain as many Manitoba businesses and organizations as possible and practical through this crisis. As the existing programming rolls out, there are gaps which will need to be addressed. Cash flow is paramount to survival for many businesses, particularly small business and community organizations.</p>

Priority Recommendations – Short-term (continued)

Bridging Liquidity & Working Capital Requirements	<p>Recommendation:</p> <p>→ For medium and larger companies critical to the Manitoba economy, that were successful pre-pandemic and are viable with bridge support to get them through this period, consider the establishment and initial capitalization of a Manitoba Investment Fund. This fund would complement the Federal Large Employer Emergency Financing Facility (LLEFF). A Manitoba Investment Fund should be governed by a small group of financial experts, and have flexibility to provide loans, loan guarantees, term equity, or other innovative financing.</p>
Infrastructure Investment & Prioritization	<p>Recommendation:</p> <p>→ Manitoba must move quickly to participate and contribute in projects leveraging Federal Infrastructure dollars / programs. There will be a necessity to start both major capital projects which will take longer and for short-term maintenance and renewal projects that can get underway this year and be completed in the shorter-term. This dual approach is critical for our construction sector and for the benefit of all sectors in improving our infrastructure for the flow of people, goods, services and trade.</p> <p>A priority list of shovel ready projects should be compiled across all sectors to take advantage of federal programming. This priority list would include: infrastructure that facilitates the efficient movement of trade and commerce, goods, services and people, such as: trade corridors, transportation / highways / roads, rail relocation / bypasses, telecommunications / bandwidth in rural Manitoba and the North; as well as education, health, housing, and social infrastructure.</p>

Closing Thoughts

Summary

- With collective purpose, vision and will, we are confident that Manitoba will emerge strong. Manitoba is an incredibly resilient province.
- From a crisis, new opportunities will emerge, economic recovery will take hold, society will adjust to new realities, and Manitobans will adapt and thrive.
- The choices we make now, in our governments, in our businesses, in our institutions, in our communities, in our households, will collectively determine our place in the years to follow and for the next generations of Manitobans.
- Our intention is to provide a directional roadmap for economic recovery. Roadmaps are directional, constantly evolving and adjusting to changing circumstances. At this time, leadership, partnerships and actions will help bridge the path to economic recovery.
- The Business Council is ready, willing and able to assist Manitoba in taking actions necessary to help bridge as many Manitoba companies to the extent possible and practical, so Manitoba emerges on the other side with most of its economic ecosystem in place.
- Retention of much of Manitoba's economic ecosystem is necessary for our province to thrive again, providing jobs, career opportunities, wealth creation, income, philanthropy, and taxes for our health care, education, family, protective, and other services that support Manitobans. Business and jobs provides a means towards an ultimate goal of living in a province and country with a high standard of living – a high quality of life that most Manitobans are privileged to have.