

**Title:** Q&A session with Rising Economy Taskforce

**Date:** June 2, 8:30-10am

**Background:** *The South Island Prosperity Partnership (SIPP) has launched the Rising Economy Taskforce to coordinate a strong local response to the economic crisis created by COVID-19. SIPP is an alliance of over 60 public and private partners across Greater Victoria. The Rising Economy Taskforce is the largest coordinated industry-led recovery effort currently being led in British Columbia. The Taskforce will support recovery by establishing a regional plan that will accelerate recovery efforts, promote inclusive growth, and identify opportunities and partnerships for greater resiliency. The Taskforce works with 11 sector committees to inform a recovery strategy in the following areas:*

- *Agriculture, food and beverage*
- *Education and skills development*
- *Inclusive economy*
- *Indigenous economy*
- *Finance and capital*
- *Oceans and marine*
- *Real estate and construction*
- *Retail, services and restaurants*
- *Technology and advanced manufacturing*
- *Tourism, arts, culture and recreation*
- *Travel and transportation*

Selected excerpts from the one-hour and a half video conference call. Edited for length and clarity.

**Q** – Can we hear from some of the twelve sector committee chairs on how their progress is going so far. What are the greatest challenges in each sector?

**A– Christina Clarke, Co-Chair of the Indigenous Economy Committee:** We quickly discovered that the nations' leadership and staff are currently focused on crisis management. That's impacting their ability to be focused on economic development and structure long-term thinking. We're finding that the ability to devote time to long-term thinking is low right now. So, we're taking a more targeted approach and speaking with people individually. We're also building on questions that we asked at last November's Indigenous Prosperity Gathering where we had really good representation from all the nations.

**A– Jacques van Campen, SIPP Co-Chairs on Indigenous Economy Committee, Technology and Advanced Manufacturing, Agriculture, Food and Beverage Committee and the**

**Inclusive Economy Committee:** Thank you, Bruce. I'm working with Christina Clarke on the Indigenous Economy Committee. As she described, people are focused on the basic necessities of their communities at this point and economic development is really going to come further down the pipe. I have three other committees I'm co-chairing and it's interesting to see how much they differ even though they are part of the same regional economy. The Technology and Advanced Manufacturing Committee represents a sector that is, as you would expect, actually trending quite well right now and seeing a lot of green shoots of growth, especially in the software industry. With more than enough capacity, they are looking outside their own sector to figure out how they can help others. For example, trying to help digitize online farming requirements for the agriculture sector is something that they're working on very actively.

When you look at the agriculture, food and beverage sectors, it's a mixed bag. If we look at wholesale sales, sales are down dramatically (in the 80% range). But if we look at retail sales in the beverage sector, such as the delivery to liquor stores, sales are dramatically up. Yet when comparing export sales to other provinces sales are down to zero. Similarly, agritourism is essentially down to zero. Looking at deliveries from the different farms, they're up to radically to about 400% in many cases. In other words, there's all sorts of challenges and opportunities here. There is also huge demand for new programs to learn how to digitize their businesses. Entrepreneurship is booming around this and there are lots of courses well oversubscribed for people learning a new trade or developing those new skills.

Finally, we have the fourth committee I'm working on which is the inclusive economy. This is a sector that is really under a lot of stress. The demand for the services for these nonprofits has never been higher. And yet their revenue streams are challenged at the best of times. Today revenue streams are now much more at jeopardy and this poses serious risks to the longevity of the sector. Staff are working hard to make sure they can get support to their clients in most need, which in some cases means pivoting to new clients and doing it digitally and remotely.

That's a very high-level snapshot and lots more details are coming out of these first committee meetings but it's fascinating to see the differences between them, as well as the cross opportunities that are starting to emerge between different committees.

**A– Craig Norris, Co-Chair. Oceans and Marine Committee:** The Ocean and Marine sector is a pretty diverse sector in this region, covering a whole range of industries and markets. The basic regional sentiment from our committee is that for now let's concentrate our efforts on a subset of businesses that are most affected by the downturn and lockdown. The government's spending on shipbuilding is ticking along fine and the sector is finding their challenges to be centered on retaining employees and keeping them safe. The oceans research and defense-related parts of sector continue to do well as they work on long-term contracts. The companies that are being really hit hardest are the ones that rely on tourism. Ferries, recreational boats, yachts, cruise ships, etc., all of these, as you can imagine, are bleeding our economy here in Greater Victoria. We're hoping that that it will spring back again, especially when it's possible to get US visitors back to Greater Victoria. In fact, I've been getting phone calls from Seattle, Port Angeles and Anacortes and they're wondering how we're doing and looking to us for some leadership to be ready for reopening.

**A– Frank Bourree, Co-Chair, Tourism, Arts, Culture and Recreation Committee:** As you can imagine, industry action has been swift. Destination Greater Victoria has been working very closely with SIPP for a while and has developed a number of strategies and conducted its own situational analysis. The tourism sector has also designed some initiatives that they'd like to start putting forward. While recovery work has been advancing, there's been a lot of dialogue with provincial and federal contacts. In April, we saw 14% hotel occupancy, which is compared to last year's 68%. The restaurant industry is struggling dramatically, and we've got transportation companies sales that are down 98%. It's simply a devastated sector that's grasping for hope. Destination British Columbia is pivoting to promote local tourism however this is not going to fill the void left by international tourism which has historically generated about 55% of the tourism revenue in Greater Victoria. So things are really tough out there. It's going to take probably well into 2021 before we see a deep recovery. But we're working very hard on trying to move the levers on that.

**Q–** Do we have access through SIPP to economic data sources that provide insights into various sectors?

**A– Emilie de Roseonroll, CEO, South Island Prosperity Partnership (SIPP):** We recently published the third annual Prosperity Index report to benchmark our growth and competitiveness against peer cities. We are also publishing a monthly economic recovery dashboard. However, it's not very sector-specific so we're working with the committees to augment our datasets. There are new polls and surveys created every day as people try to respond to the urgency of the situation for many industries and sectors. We're collecting those pieces of information and augmenting them with our own primary source information as we're developing surveys and administering those for the sector groups.

**Q–** Thank you for that good presentation the deliverables and timeline. It looks like you are assuming a linear recovery the V or the new recovery, or the committee's looking at their plans in the timelines through the lens of a W or L recovery?

**A– Emilie de Rosenroll, CEO, SIPP:** That's a great question. We're actually not really focused on predicting what we think will happen. We don't know if there will be a second wave that will be just as bad or more acute than the first. We don't know how long it will take to widely deploy a vaccine or an antiviral drug. And, of course, every country and region is having different experiences with their reopening strategies which impacts economic recovery. I think there's some really interesting things to look at in terms of looking at how other regions have been able to reopen. As we mentioned at the last meeting, when we looked at the 90% economy (the Economist), the real goal should be how can we get as close to that as possible until the pandemic no longer a threat and we can return to normal.

Having said that, we've actually built that uncertainty into the survey. The situational analysis asks how likely a business is to withstand a future lockdown. There are also a series of questions centered around business confidence, consumer confidence, and financial sector confidence: because really that's the crux of it all. Governments can shut down economies, but they can't reopen them. Consumers reopen economies. So we really should be focused on confidence...to hire, to spend, to invest, to lend. I think that's a very important thing.