



# Backgrounder

## *Task Force Terms of Reference*

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### Lethbridge Region Economic Resilience Task Force (LERTF)

#### **The Why:**

The imposition of broad 25% tariffs levied against Canadian exports to the United States has the potential to significantly disrupt the national, provincial and regional economy. Alberta government revenues are heavily dependent on revenues from oil and gas exports to the USA.

Lethbridge ranks 10th out of 41 Canadian cities in terms of potential U.S. tariff exposure according to a recent report from the Canadian Chamber of Commerce. The risk to our economy is significant. Annual exports from the Lethbridge region are over \$2.2 billion, or just over \$15,000 per capita. Approximately 90% of all goods exported from the Lethbridge Census Metropolitan Area (CMA) goes to the United States representing a risk to almost ~19.4% of the city's GDP.

There is considerable stress and uncertainty in the business community and there will be a need for reliable information to support data driven decision making. Manufacturers will be under considerable pressure to relocate all or a portion of their operations to the United States to avoid the impact of tariffs and make the most of other incentives being offered.

Provincial government funding could be under pressure from a potential drop in the price of and demand for oil and gas. Municipal funding could be under pressure from increased unemployment and the risk of lower property tax assessment.

Attracting new investment, supporting continued growth and expansion as well as retaining existing business activity will be key to protecting the economy of the Lethbridge region. The change in our trade relationship with the United States is not temporary and unlikely to ever return to what it once was.

The Bank of Canada has outlined its expectation that what lies ahead is a "structural change" to the Canadian economy. A permanent shift downward in growth potential with implications for quality of life of every Canadian. Canada has long suffered from a productivity gap with the United States that could widen with the additional complications of a trade war.

More importantly, however, within every crisis comes opportunity. By galvanizing the business community and providing sufficient tools and resources, there is an opportunity to reimagine southern Alberta's economy to make it stronger for the long term. The current crisis should be a clarion call for change to make Canadian businesses more competitive and for governments at all levels to remove barriers to growth to enable industry to leverage free trade agreements with other global markets.



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### **What:**

#### Task Force Vision:

Strengthen and diversify the economy of southwest Alberta while building resilience in the business community to withstand and thrive through disruption to protect our quality of life.

#### Key Goals:

- Advocate for the elimination of the barriers to interprovincial trade relevant to the region and local industry.
- Diversify global trade opportunities and expand export development in markets appropriate for the region's industry.
- Elevate the region's voice and promote the subject matter expertise of our industry leaders on the national and international stage.
- Promote the region an attractive place to invest and work with municipal partners to enhance the value proposition for investment.
- Support the ease of doing business in the region through the elimination of regulatory red tape at all levels of government.
- Support entrepreneurs and business owners to navigate a changing economic landscape.
- Ensure increased investment in post-secondary institutions and positioning them as world-leading research institutions and position Lethbridge as destination of choice for domestic students.
- Promote the region's tourism potential and increasing visitation.
- Speak with one unified, consensus voice on key economic issues even when we disagree.

### **How:**

- Coordination of resources (training, research, marketing) between organizations.
- Alignment of messaging and focusing on the positive opportunities where possible.
- Focused, joint advocacy to all levels of government.
- Shared intelligence and market data to support improved decision making.
- Facilitate import replacement strategies enabling increased local sourcing and stronger local supply chains. (B2B)
- Leveraging export development and market access agencies and encouraging a "boots on the ground" presence in the region. (EDC, GAC-TCS, Travel Alberta, Invest Alberta etc.)
- Promotion of "Buy Local" (or "Experience Local") education and awareness. (B2C)
- Increased workforce and business capability by developing/delivering training, workshops and other resources.
- Building investor networks and increasing access to capital.
- Bi-weekly coordination calls among the partners.



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### Who:

#### Partners:

- Alberta Southwest Regional Alliance (*Bev Thornton, Executive Director*)
- Community Futures Lethbridge Region (*Troy Grainger, Executive Director*)
- Economic Development Lethbridge (*Trevor Lewington, CEO*)
- Lethbridge Chamber of Commerce (*Cyndi Crane, CEO*)
- Lethbridge Construction Association (*Erin Low, Executive Director*)
- Lethbridge Polytechnic (*Bryon Anderson, Director, Government and Public Affairs*)
- SouthGrow Regional Initiative (*Peter Casurella, Executive Director*)
- Tourism Lethbridge (*Erin Crane, CEO*)
- University of Lethbridge (*Richard Westlund, Executive Director, Communications, Marketing & Government Relations*)

#### Supported by:

- Alberta Jobs, Economy & Trade (*Martin Ebel, Regional Economic Development Specialist, South East & Marie Everts, Regional Economic Development Specialist, South West*)
- City of Lethbridge (*Perry Stein, Partner Services Manager*)
- Lethbridge County (*Mattie Watson, Communications & Marketing Strategist*)
- Prairies Economic Development Canada (*Brandie Lea, Senior Business Officer*)

#### Key Initiatives:

- Canada's Premier Food Corridor (CPFC)
- Canada's Western Gateway Trade & Logistics Corridor (CWG)
- Lethbridge Manufacturing Association
- Regional Innovation Network of Southern Alberta (RINSA)
- Southern Alberta Alternative Energy Partnership (SAAEP)
- Southern Alberta Investment & Trade Initiative (SAITI)
- Team Lethbridge



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### Guiding Principles:

- ✓ Lethbridge has weathered economic storms before and will emerge stronger through this crisis. (ie: BSE and COVID)
- ✓ Crisis brings opportunity – resilience is about seeing and taking advantage of new opportunities that arise. Scout vs soldier mindset.
- ✓ The regional economy is interdependent and interconnected – taking a big picture view is important as we work together to build on our strengths.
- ✓ Time is of the essence – momentum through action is more important than crossing every T and dotting every I.
- ✓ Governance is by consensus and through collaboration in keeping with the spirit of historical projects in the region among our organizations.
- ✓ The Task Force is temporary and will be ended when the partners feel sufficient progress has been accomplished.
- ✓ Participation is voluntary and on a project-by-project basis
  - There is no financial contribution required, organizations contribute staff time and other in-kind resources within the capacity available within their scope.
  - Projects with funding requirements will be evaluated and resourced through available support programs and voluntary contributions on a case-by-case basis.
- ✓ We have a long-term focus – getting off the commodity and resource dependent rollercoaster. We recognize the task force is temporary but our outcomes are based on long term impact.

### Communities:

The following 40 communities are included in the scope of the Task Force’s work by virtue of their inclusion in either the Alberta Southwest Regional Alliance, SouthGrow Regional Initiative or Economic Development Lethbridge:

Arrowwood	County of 40 Mile	Milo	Vauxhall
Barnwell	Coutts	MD of Pincher Creek	Vulcan
Blood Tribe	Cowley	MD of Ranchland	Vulcan County
Bow Island	Crowsnest Pass	MD of Taber	Warner
Cardston	Fort MacLeod	MD of Willow Creek	
Cardston County	Foremost	Nanton	
Carmangay	Glenwood	Picture Butte	
Champion	Hill Spring	Pincher Creek	
City of Lethbridge	ID#4 - Waterton	Raymond	
Claresholm	Lethbridge County	Stavely	
Coaldale	Magrath	Stirling	
Coalhurst	Milk River	Taber	