

## Small and medium-sized business recovery interests brought to provincial government

*Board of Trade presents economic reality and potential supports to Ontario MPPs*

TORONTO, ON, August 18, 2020 – Today, Jan De Silva, President and CEO of the Toronto Region Board of Trade, and Leigh Smout, President of the World Trade Centre Toronto, delivered remarks to the Ontario Legislature’s Ontario Legislature’s Standing Committee on Finance and Economic Affairs. The committee is exploring COVID-19’s impact on small and medium-sized enterprises and how the government can help. Full remarks below:

### **Jan De Silva, President and CEO, Toronto Region Board of Trade:**

“Good morning everyone. Thank you for inviting us to speak. I am Jan De Silva, the President and CEO of the Toronto Region Board of Trade. Joining me is my colleague, Leigh Smout, President of our World Trade Centre.

At the Board, nearly three quarters of our 13,500 members are SMEs and we formally partner with more than 25 chambers throughout the province on SME programs we developed. On behalf of these members and partners, I want to thank you for your strong, responsive efforts during these incredibly challenging times. Your actions kept hundreds of thousands of businesses afloat.

Businesses throughout Ontario understood and rallied behind the steps needed to flatten the curve and get transmissions under control. Those steps required businesses to shut their doors and undergo dramatic changes to operations, staffing and finances.

The impact was immediate. In the first 3 months of the pandemic, more than half a million jobs were lost in the Toronto region alone. SMEs were disproportionately impacted. Small businesses were 2.5 times more likely to permanently close than larger counterparts.

SMEs were also less prepared for physical distancing. Processing online orders, staff working from home, contactless payments and delivery. All of that required digital infrastructure that most Ontario SMEs do not have.

It is not that our SMEs didn’t recognize the need to go digital pre-COVID. It was simply too hard to do so. Most digital advisory expertise is calibrated for large enterprise and not right-sized for a smaller organization that needs to keep the business operating while trying to figure out digital transformation.

In the early days of the pandemic, many felt we just needed to wait for it to pass for things to return to normal. As days turned into weeks and months, we came to understand that until a vaccine or other secure mitigation is in place, SMEs cannot succeed doing business in a pre-COVID way.

It became clear that coming out of the COVID recession would be long and challenging, so, we organized our [Reimagining Recovery](#) framework. Led by a multi-stakeholder leadership cabinet, it engages 450 organizations to tackle six different work tracks of activity to help get us back on our feet. Next month, we’ll begin releasing sector and region-specific recovery strategies. Some key themes emerging from this work may be of interest to this committee. These are:

**First, the need to build back better** – taking full advantage of innovation to modernize business and government

**Second, this will not be a one-size fits all recovery. There will be differing recover horizons for different sectors.** Some – like tourism, major events and entertainment – may take years to recover. Differing support programs will be required.

**And third, many larger enterprises are not rushing to return to work.** Their worries? The economic impact of repeat waves of outbreaks, added costs of supporting a limited onsite workforce and the majority of their workforce feel safer working from home.

Low return to work numbers in our business districts will extend the distress for small businesses – restaurants, convenience stores and others – reliant on a customer base of employees at work. With a focus on reopening, our Reimagining Recovery framework has been working to deliver concrete support to businesses throughout the province.

We moved our successful [Trade Accelerator Program](#) online. Last month, we completed our first [virtual trade mission](#) – helping business establish Asian ecommerce platform relationships. We also launched a new program targeting the specific challenges SMEs were identifying about their digital limitations. To tell you more about that, I'll hand the remainder of my time to Leigh.”

**Leigh Smout, President, World Trade Centre Toronto:**

“Thank you, Jan. It’s good to speak with you all. I am Leigh Smout, President of the World Trade Centre Toronto. I’ll take these last few minutes to tell you about the [Recovery Activation Program](#) – or RAP.

Modelled on our successful Trade Accelerator Program, which is run across Canada, RAP identifies a business’s gaps in digital practices and helps them improve their digital maturity. Seeing the need for digital advancement of Ontario’s SMEs in the wake of COVID, the Province saw the value in RAP and has generously invested \$200,000 this fiscal year.

This funding enabled us to expand the program, offering it free-of-charge to SMEs across Ontario – not just in the Toronto region. We have already received more than 150 RAP applications, with half of those businesses based outside the GTA. Approximately 120 of them have completed the first step of the program: a Digital Needs Assessment, or DNA for short. The DNA provides an indication to the companies of where they have shortcomings and how RAP can help.

This is not just ecommerce. It includes the digital management of supply chain challenges, records management, virtual management of remote staff, increasingly problematic data security and COVID-specific business demands like contact tracing.

Even small modernization in how a business uses tech can significantly improve efficiency, save on costs and reach new customers – the latter by helping companies connect to new sales opportunities, including making new local, national and international sales connections through digital sales enablement and market activation.

All of this would be good for any business in a typical year, but this year, these competitive advantages are crucial for our economic recovery. Rather than subsidies, which provide short-term help to businesses to outlast downturns, these support programs enable SMEs to adapt and evolve – strengthening their competitive advantage in a changing world market.



The Province’s investment in RAP has already begun to have impact, and we encourage you to continue supporting programs like this to get our economy firing on all cylinders again. Thank you, and Jan and I would be happy to take any questions.”

***ABOUT THE TORONTO REGION BOARD OF TRADE***

The Toronto Region Board of Trade is one of the largest and most influential chambers of commerce in North America and is a catalyst for the region’s economic growth agenda. Backed by more than 13,500 members, we pursue policy change to drive the growth and competitiveness of the Toronto region, and facilitate market opportunities with programs, partnerships and connections to help our members succeed – domestically and internationally. To learn about the Board’s economic recovery efforts and response to COVID-19, visit [supportbusiness.bot.com](https://supportbusiness.bot.com). For more on making Toronto one of the most competitive and sought-after business regions in the world, visit [bot.com](https://bot.com) and follow us at [@TorontoRBOT](https://twitter.com/TorontoRBOT).

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