

## Minutes of SME November 21, 2013 **Productivity Meeting**

6:30PM Opening (Nigel)

-Introduction

-Business Productivity and TBM:

- Canada compared to other countries in free trade, value added (manufacturing), GDP, employment and labor potential
- young Canadians defined as 25 years or less
- balanced sourcing (i.e. true costing)
- labor costs and competitiveness

7:05 Guest Speaker, Q&A

-Introduction

-Canadian currency is up/high (i.e. oil and resource driven), interest rate rises in response

-Canadian dollar in the role of reserve currency, effects of interest rates, appreciation vs. inflation, risks of bubbles (e.g. housing)

-forecasting: extrapolating value, affected by accuracy (e.g. forecast oil, resource, power demands)

-demand is driven by population growth and discretionary income

-discretionary income is affected by cost of everyday expenses

-currency tapering affects spending

-companies (as example): stocks affect cash-flow, and affected trading or buyback

-financial productivity is defined by amount of income

8-8:30PM Break

8:30 TBM, Innovation, Discussions, Closing

-TBM and NAFTA (advantages, disadvantages)

-business: location and duties are very important operating factors

-corporation: main business focus is profitability

-Risk taking and Innovation depend on:

- adversity to losses (i.e. willing to put effort and money into new or unknown outcomes)
- nurturing: how much the government supports R&D (funding, incentives)
- availability of venture or seed capital to encourage new starters (e.g. Tesla)
- commercialization: how quickly we can put new ideas/products as sellable products (local manufacturing is an advantage)

-Services Economy: works if service is exportable (e.g. banking/Switzerland)

-how Canada can utilize NAFTA benefits

-business trend: rationalizing (i.e. how many staff/factories/machines do we really need?)

-Andrew Sharpe (TABE, statistics): productivity analysis, statistics as influence on manufacturing policies