ABBOTSFORD

Sector Roundtable

MANUFACTURING

Summary

March 20, 2025

Produced for the City of Abbotsford and the Economic Development Table Partners

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Background

The Sectoral Roundtable initiative is a research project managed by the City's Economic Development department in collaboration with the Economic Development Table. The goal of the Sectoral Roundtable initiative is to gain a better understanding of the challenges and opportunities in key sectors of Abbotsford's economy. The Economic Development Table meets monthly to select sectors, draft discussion guides, curate invite lists and to review roundtable findings.

This research initiative supports both *Principle 3: Vibrant and Growing Economy (Invest in Building Relationships that Facilitate Alignment)* of Council's 2022-26 Strategic Plan and the Business Retention and Expansion Strategy's *Goal 3: Strengthen Relationships and Communication with the Business Community.*

The manufacturing sector was the first sector selected by the Economic Development Table. There are approximately300 manufacturers operating in Abbotsford that provide employment to over 8,000 people. Manufacturing is the fourth largest employment sector in the City's economy (after Health Care/Social Assistance, Retail, and Construction). The City of Abbotsford and the Economic Development Table partners are seeking insights into the manufacturing industry in the current economy and looking for feedback on how to best support and attract new businesses to strengthen Abbotsford's diverse manufacturing sector.

Roundtable Composition and Framework

Each sectoral roundtable will be sector-specific in discussion orientation. The format of each of the four roundtables will remain consistent. Each roundtable will be comprised of up to 15 participants secured through sector outreach and invitation. The manufacturing sector was the first sector selected by the Economic Development Table. The March 22, 2025 roundtable was attended by senior-level representatives from 10 businesses within Abbotsford's manufacturing sector. The roundtable included representatives from the following industries: cabinetry, fabrication, food processing, machinery, metal, and structures, as well as representation from the Excellence in Manufacturing Consortium (EMC).

The objectives of the session were to:

- Share insights from businesses within Abbotsford's manufacturing industry
- Discuss industry challenges and opportunities in Abbotsford
- Identify specific actions needed for tangible outcomes to occur in Abbotsford
- Suggest ways in which the City's Economic Development Department and the Economic Development Table can best support Abbotsford's manufacturing industry

A discussion guide was developed by the Economic Development Table forming the basis for roundtable activities that promoted participant engagement and dialogue. Roundtable activities included a dot voting exercise and question-based facilitated discussion. To promote robust and transparent discussion the roundtable was moderated by a third-party consultant.

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Key Insights Shared

From both the dot voting exercise and question-based roundtable discussion, the following items emerged as key insights that resonated across participants:

Abbotsford Strengths

- Almost all of the businesses participating in the roundtable identified that less than 10% of their business is done solely within the BC lower mainland (indication of market diversity)
- Location, accessibility to markets, supply chain assets, and employment opportunities
- Array of manufacturing type positions - Abbotsford to market itself as a manufacturing hub
- Ability to work together to aggregate capacity of multiple local businesses opens new business avenues
- Land inventory enables the creation of additional industrial parks/areas to attract business to Abbotsford

Challenges in Abbotsford

- Proposed US tariffs will have impacts on all participating businesses
- Uncertainty and lack of clarity about the proposed US tariffs has forced participating businesses to evaluate potential viable options and alternatives, including establishing US-based operations, without the benefit of consistent and factual information to best inform decisions
- Type of proposed tariffs (import or export) had similar potential negative impacts requiring at least half of participating businesses to have to consider taking multiple actions
- Lack of business-supportive changes to provincial regulations continues to impose barriers
- Housing unaffordability in Abbotsford has a direct correlation to employee attraction and retention struggles (from skilled workers through to professionals) for the majority of participating businesses
- Majority of participating businesses indicated that the talent pipeline from the local university is not connected with Abbotsford's business community
- Lack of inventory of large industrial building space with multiple loading bays reduces Abbotsford's ability to attract new manufacturing businesses to economy
- Requirement of and cost for vandalism/crime prevention security measures has become another business expense for all participating businesses and is a disadvantage for business attraction

Opportunities for Abbotsford

- Need a mechanism to gain awareness of breadth of Abbotsford's manufacturing businesses to be better positioned to buy from each other / source local supply chain
- There's lots to do in Abbotsford; it's the affordability factor for many
- Establish industrial park / expand industrial area at Abbotsford International Airport
- Leverage Abbotsford's DCC rates as a competitive advantage for business attraction
- Facilitate introductions to local Indigenous communities to support relationship developments and to better understand what the interests, resources, and opportunities are
- Increase public and business awareness about the scale of manufacturing in Abbotsford

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Participant-Identified Recommendations for the City and the Economic Development Table

- Share advance information about upcoming grant opportunities and provide grant application assistance
- Work with schools/universities to increase ties to manufacturing industry
- Develop talent connection with university to increase professional & skilled talent staying in Abbotsford
- Increase awareness about manufacturing in Abbotsford, employment opportunities and wages that jobs offer
- Promote manufacturing to make sector and Abbotsford attractive: “Great Place to Work” “Work Where You Live”
- Produce promotional material that manufacturers can use to recruit talent
- Organize annual workforce attraction expo for manufacturing businesses

Key Observations

Throughout the roundtable, participants spoke openly and similarly about issues and opportunities regardless of the industry the business was in within manufacturing. Based on the insights shared, participants are looking to the City to more proactively advocate for the sector and what it contributes into the economy, to work to reduce municipal barriers on business, to broadly promote Abbotsford as a manufacturing hub, and to build connections between secondary & post-secondary institutions to keep Abbotsford talent working in Abbotsford’s economy.