

# NORD-ASKI REGION

## COVID – 19 BUSINESS IMPACT SURVEY RESULTS

### IMPACT OF COVID-19 ON BUSINESS OPERATIONS AND ON THE WORKFORCE

May 31, 2020



# INTRODUCTION

This report contains the results of the May COVID-19 Business Impact Survey conducted by the Far Northeast Training Board in partnership with Nord-Aski Regional Economic Development Corporation, Hearst Economic Development, and Hornepayne Economic Development Corporation.

The May survey was conducted between May 12<sup>th</sup> and 20<sup>th</sup>. Because it was optional for survey respondents to indicate the name of their company or organization, comparing the results of the questions posed in the May survey with the responses to those questions from the survey conducted in April is challenging. We do know however that 76% of respondents who completed the May survey had also completed the one that was issued in April.

The following should therefore not be interpreted as a comparative analysis but rather as general observations based on the responses to some of the key questions asked both in April and in May, recognizing that those responses are reflective of the relevance of the questions to the participating businesses and organizations.

It is also important to note the timing of the release of the monthly survey. The April survey was launched one week after the state of emergency was announced at which time all non-essential businesses were required to close. When the May survey was released, the emergency measures had been in place for just over one month, and the Ontario government had just announced a stage-by-stage approach to loosening those emergency measures, and the stage one reopening of certain businesses.

# WHO ANSWERED THE SURVEY?

**48** businesses and organizations

**May**

**75%** Private  
**15%** Public  
**10%** Non-profit

**April**

**62%** Private  
**23%** Public  
**16%** Non-profit

**69** businesses and organizations

## EMPLOYEE SIZE RANGE - APRIL 1, 2020

**May**

**April**

<b>7</b>	0 employees	<b>16</b>
<b>27</b>	1 to 19 employees	<b>44</b>
<b>8</b>	20 to 49 employees	<b>2</b>
<b>3</b>	50 to 99 employees	<b>2</b>
<b>2</b>	100+ employees	<b>1</b>

## RESPONDENTS BY INDUSTRY

	<b>MAY</b>	<b>APRIL</b>
Agriculture, Forestry, Fishing and Hunting	7	18
Mining, Quarrying or Oil & Gas Extraction	0	2
Utilities	3	8
Construction	4	6
Manufacturing	3	6
Retail Trade	12	18
Transportation and Warehousing	4	7
Information and Cultural Industries	1	4
Finance and Insurance	1	3
Real Estate and Rental & Leasing	0	5
Professional, Scientific and Technical Services	3	5
Management of Companies and Enterprises	0	1
Administration & Support, Waste Management and Remediation Services	0	4
Educational Services	6	7
Healthcare and Social Assistance	3	5
Arts, Entertainment and Recreation	3	5
Accommodation and Food Services	7	8
Public Administration	3	4
Other Services (Except Public Administration)	3	9
Other (Please Specify) Hairstylists, Travel agency, Automotive Services		

# The impact of COVID – 19 on OPERATIONS

## LEVEL OF IMPACT

May		April
23%	<b>HIGH</b> This could put us out of business.	29%
35%	<b>MEDIUM</b> This is going to significantly impact our finances.	46%
40%	<b>LOW</b> This may impact us financially, but we are confident that we can weather the storm.	25%
2%	<b>NONE</b>	1%

## OBSERVATIONS:

The lower percentage from May to April of businesses and organizations that rated the risk of COVID-19 as high, as well as the significantly higher percentage of those who rated the risk as low in May compared to April could be attributable to the following factors:

- The April survey was conducted just a few days after the emergency measures were announced and non essential businesses were forced to close. There was therefore a stronger sentiment of uncertainty that could explain the higher level of anxiety and uncertainty about the actual impact.
- The May results seem to reveal that respondents have a higher level of confidence in their capacity to weather the storm. Most had been adapting to the emergency measures since March 26<sup>th</sup>, the guidelines for reopening had been released and some business would begin to reopen. All of those developments would have an impact on respondents perception in regards to the actual level of impact on their business or organization.

*Note: Totals may not add up due to rounding and respondents who provided multiple answers to certain questions.*

## ESTIMATED FINANCIAL LOSS SINCE THE BEGINNING OF COVID-19

Month	\$20,000	\$20,000 to \$50,000	\$50,000 to \$100,000	\$100,000 to 500,000	\$500,000 to 1,000,000	\$1,000,000 or more
<b>May</b> (46 respondents)	<b>50%</b>	<b>24%</b>	<b>13%</b>	<b>11%</b>	<b>11%</b>	<b>11%</b>
<b>April</b> (44 respondents)	<b>46%</b>	<b>34%</b>	<b>11%</b>	<b>18%</b>		

### OBSERVATIONS:

The financial impact is likely reflective of the time lapse of just over on month between the two surveys. During that period, businesses and organizations would have had time to somewhat adjust to the situation:

- In May, they would have a better idea of the financial impact and the cost to their business or organization, whether higher or lower than the April estimations.
- Some would anticipate and plan for reopening as per the guidelines announced prior to the release of the May survey.
- Local businesses and organizations might be encouraged and have a more positive outlook on the future in light of the fact that compared to other regions of the province, this region had a lower number of COVID-19 cases.

*Note: The last two amounts indicated in this question were not included in the April survey. They were added to the May survey in response to businesses in some communities indicating in April that they anticipated their loss to be higher than \$500,000.*

## HOW HAS COVID-19 IMPACTED YOUR OPERATIONS?

Month	48%	35%	0%	20%
<b>May</b> <i>(48 respondents)</i>	We reduced hours, staff and operations.	We closed temporarily.	We closed permanently.	No impact.
<b>April</b> <i>(69 respondents)</i>	38%	39%	1%	12%

## IF YOU ARE CONTINUING YOUR BUSINESS OPERATIONS, HOW HAVE YOU ADJUSTED?

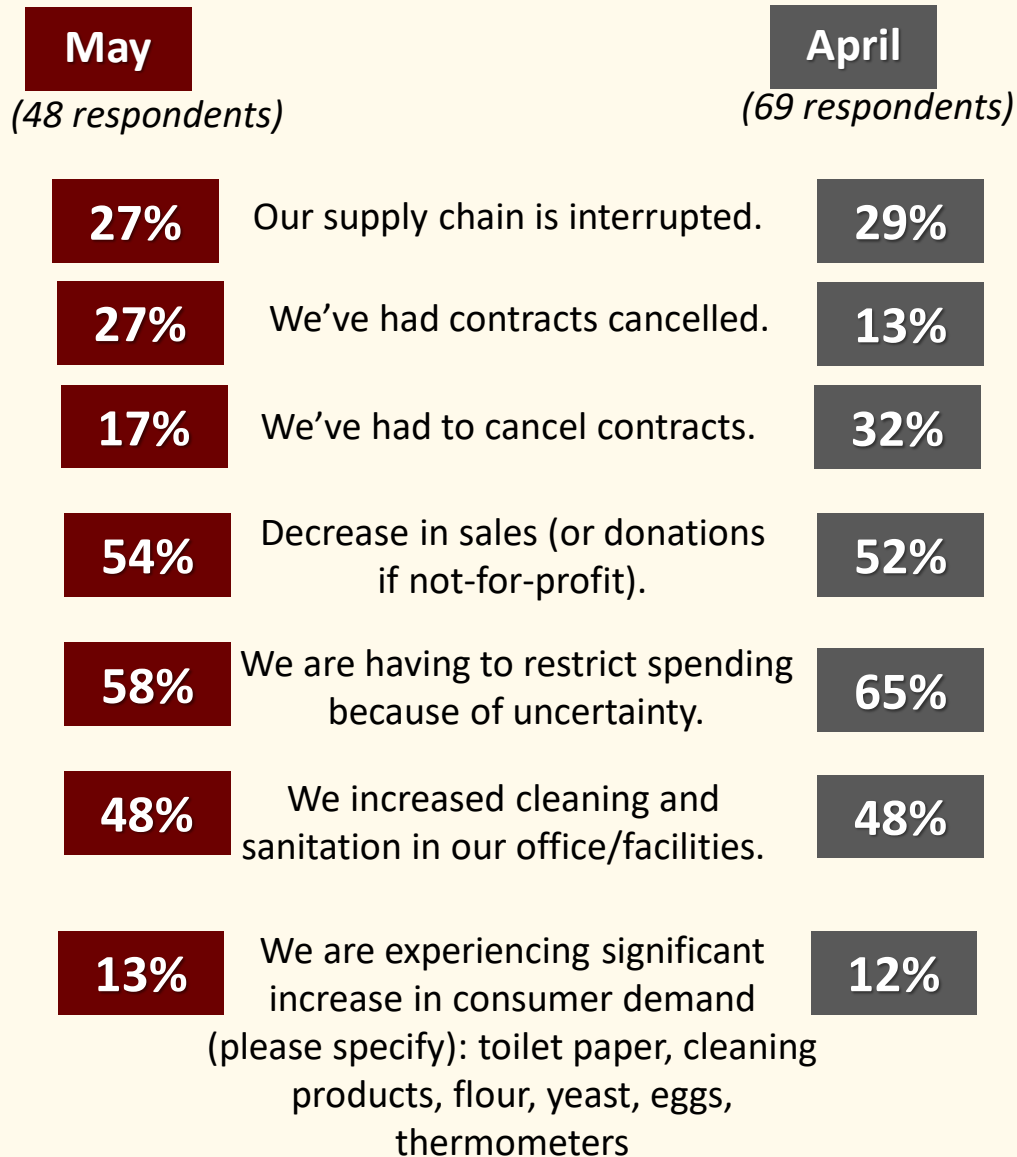
Month		April
<b>May</b> <i>(35 respondents)</i>		<b>April</b> <i>(56 respondents)</i>
<b>43%</b>	Our storefront is operating with reduced hours.	<b>39%</b>
<b>49%</b>	Our storefront is closed but we offer our products and services by telephone.	<b>54%</b>
<b>29%</b>	Our storefront is closed but we offer our products and services online.	<b>30%</b>

## OBSERVATIONS:

The responses to these questions again point to a certain level of adjustment to the situation which in all likelihood stems from the new and evolving developments in regards to emergency measures and to an anticipated gradual relief of those measures announced by the Ontario Government in early May.

Again, the time lapse between the April and May survey is reflected in the significant increase in reduced hours, staff and operations, as businesses and organizations adapted to the situation.

## WHAT ADDITIONAL IMPACTS HAVE YOU EXPERIENCED?



### OBSERVATIONS:

As we saw on the previous pages, the answers of local businesses and organizations in May compared to April hinted at some level of optimism among the respondents in their ability to adjust and weather the storm.

Some of the specific factors that impact on local business and organizations however increase over time as can be seen on this page.

Local businesses and organizations continue to experience supply chain interruptions, contract cancellations, and decreases in sales. All of which of course leading to continued restrictions in spending because of uncertainty.

# RESPONSES TO ADDITIONAL QUESTIONS POSED IN MAY

Both the April and May surveys were intended to get a sense of the overall impact of COVID-19 on businesses and organizations in the Nord-Aski region.

As mentioned previously, government financial incentives to support local businesses were announced after the April survey was conducted. The May survey therefore included additional questions about those incentives. Prior to the release of the May survey, the provincial government released guidelines for a stage-by-stage relief of the emergency measures. Questions in regards to those guidelines were also included in the May survey. In summary, additional questions included in the May survey were intended to:

- Determine the relevance and accessibility of the recently announced government programs to local businesses and organizations.
- Find out if local businesses and organizations know what is available, if they applied or accessed any of the programs, and suggestions for making them easier to understand and access.
- Find out if local businesses and organizations are aware of the re- opening guidelines that were released on April 30<sup>th</sup>, if they find them easy to understand, and to highlight the anticipated barriers and cost to comply to those guidelines.
- Get input on what is being done, or could be done at the community level.

Other questions added to the May survey touched on hiring and training, and on barriers for businesses and organizations to operating online.

The following pages present the answers to the additional questions that were posed in May.



# GOVERNMENT PROGRAMS

## PLEASE INDICATE YOUR LEVEL OF AWARENESS OF GOVERNMENT FUNDING SUPPORTS AVAILABLE FOR BUSINESSES

(44 respondents answered this question)

57%

Very aware

39%

Somewhat aware

4%

Unaware

## HAS YOUR BUSINESS APPLIED FOR GOVERNMENT SUPPORTS AS A RESULT OF COVID-19?

(44 respondents answered this question)

48%

Yes

52%

No

## IF NO, PLEASE INDICATE WHY YOU HAVE NOT APPLIED

(25 respondents answered this question)

12 respondents

No need at this time

16 respondents

Do not qualify

16 respondents

Don't know how to apply or access

## IF YES, PLEASE INDICATE WHICH PROGRAM YOU APPLIED FOR.

(20 respondents answered this question)

- Canada Emergency Relief Benefit (CERB) - 6
- Canada Emergency Wage Subsidy (CEWS) - 8
- Canada Emergency Business Account (CEBA) - 8

## PLEASE INDICATE WHICH PROGRAM YOU HAVE BEEN APPROVED FOR.

(34 respondents answered this question)

- CERB (4)
- CEWS (4)
- CEBA (7)



# GOVERNMENT PROGRAMS

## PLEASE RATE HOW YOU FIND THE PROGRAM GUIDELINES AND APPLICATION PROCESS.

*(35 respondents answered this question)*

**2 respondents**

Very easy to understand

**12 respondents**

Fairly easy to understand

**7 respondents**

Difficult/very difficult To understand

**14 respondents**

Not applicable

## RESPONDENTS' COMMENTS OR SUGGESTIONS ON WHAT WOULD HELP YOU BETTER UNDERSTAND THE GOVERNMENT PROGRAM GUIDELINES AND APPLICATION PROCESS:

- Easy to understand, but very basic info – seems too easy to be true – will definitely pay for it when the details are fine tuned.
- The Canada.ca site is somewhat confusing, wording is confusing, website does not detail rules or regulations for reopening.
- The information provided has been good considering how fast it was made available.
- Very difficult to contact government during this time to get questions answered, like email for example.
- Too many steps.

# GOVERNMENT GUIDELINES FOR RE OPENING

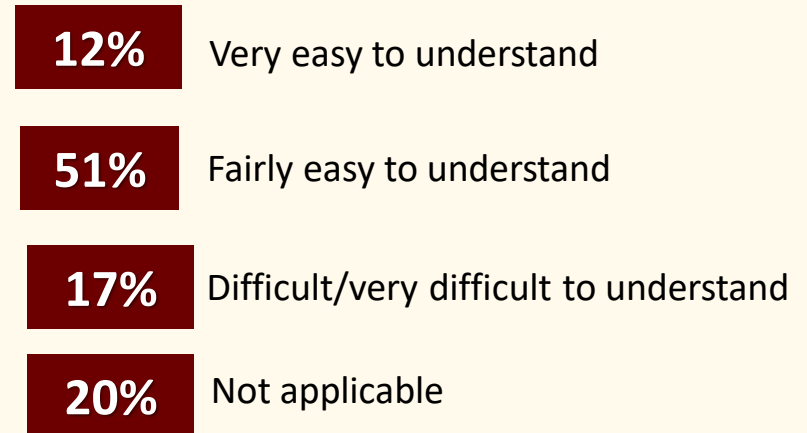
## PLEASE INDICATE YOUR LEVEL OF AWARENESS OF THE PROVINCIAL GOVERNMENT'S GUIDELINES FOR A STAGE-BY-STAGE REOPENING.

*(42 respondents answered this question)*



## PLEASE RATE HOW YOU FIND THE PROVINCIAL GOVERNMENT GUIDELINES FOR REOPENING.

*(41 respondents answered this question)*



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## RESPONDENTS' ADDITIONAL COMMENTS IN REGARDS TO THE PROVINCIAL GOVERNMENT GUIDELINES FOR A STAGE-BY-STAGE REOPENING:

- We will comply with First Nations guidelines – for permission to enter First Nation territory.

# GOVERNMENT GUIDELINES FOR RE OPENING

## PLEASE INDICATE THE BARRIERS FOR YOUR BUSINESS OR ORGANIZATION TO COMPLY TO THE GUIDELINES FOR REOPENING.

*(41 respondents answered this question)*

**39%**

The proposed measures are already in place within our company/organization.

**10%**

The size of our facilities – not enough room to meet the guidelines for distancing

**5%**

Staffing – we lost some of our staff and will have to recruit and train new staff.

**27%**

The nature of our work which requires close proximity to clients/customers.

**39%**

Cost – to purchase extra PPE and adapt our work area when we have a decrease in revenue.

**24%**

Applying the guidelines will not be a problem for our business or organization.

## WHAT DO YOU ESTIMATE IT WILL COST YOUR BUSINESS OR ORGANIZATION TO COMPLY TO THE GUIDELINES FOR REOPENING?

*(38 respondents answered this question)*

**16%**

Under \$5,000

**68%**

\$5,000 to \$10,000

**8%**

\$10,000 to \$25,000

**0%**

\$25,000 to \$50,000

**3%**

\$50,000 or more

**5%**

\$0 – measures are already in place



# COMMUNITY SUPPORTS

## HAS YOUR BUSINESS TAKEN ADVANTAGE OF ANY COMMUNITY SUPPORTS AS A RESULT OF COVID-19?

*(42 respondents answered this question)*

7%

Yes

93%

No

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### IF NO, PLEASE INDICATE WHY YOU HAVE NOT APPLIED

*(17 respondents answered this question)*

**12 respondents**

Not needed at this time.

**5 respondents**

Do not qualify.

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### IF YES, PLEASE INDICATE WHICH SUPPORT YOU HAVE TAKEN ADVANTAGE OF.

*(4 respondents answered this question)*

- Food Bank for our clients.
- Deferred municipal taxes.
- Volunteers.

## WHAT WOULD YOU LIKE YOUR LOCAL COMMUNITY TO DO TO ASSIST YOU AT THIS TIME IN MANAGING COVID-19?

- A break in municipal taxes.
- Signs for my business are all on back-order and I must pay for it, am not aware of where to get anything free to comply.
- Be cognizant of guidelines and have patience.
- Just ensure that everyone follows the rules to reduce the transmission of the virus.
- Obtain the required PPE and cleaning supplies needed to operate.
- Encourage local shopping.

# HIRING AND TRAINING NEEDS

## IF YOU ARE CONTINUING YOUR BUSINESS, ARE YOU CURRENTLY HIRING?

(47 respondents answered this question)



## Main reasons identified for the hiring include:

- To replace someone who left prior to COVID-19.
- We had planned on hiring prior to this but due to the uncertainty, the decreased demand, and our tight budget we cannot afford to hire.
- To fill seasonal/student positions

## DO YOU, OR WILL YOU REQUIRE TRAINING FOR YOUR STAFF?

(35 respondents indicated that they would need training)

## TYPE OF TRAINING NEEDS MENTIONED INCLUDE:

- WHIMIS
- Health and safety
- Violence and harassment
- Social media
- Cleaning and sanitizing



# BARRIERS TO OPERATING ONLINE

## WHAT BARRIERS DOES YOUR BUSINESS OR ORGANIZATION FACE TO OPERATE ONLINE?

*(48 respondents answered this question)*

**17%**

No website.

**0%**

Not on social media.

**21%**

Limited capacity/labour.

**17%**

Lack of/limited knowledge in electronic commerce.

**8%**

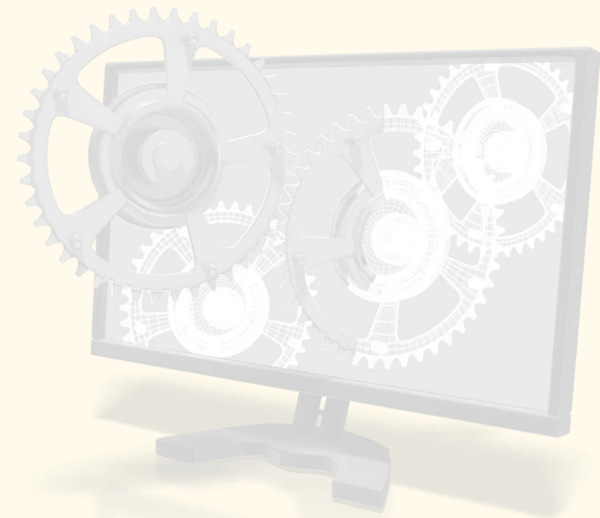
Lack of/limited connectivity.

**37%**

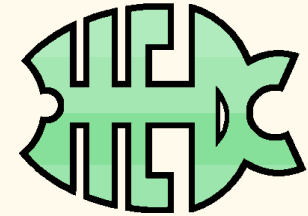
Products/services cannot be delivered online.

**23%**

No barriers/already operating online.



# Partners involved in conducting the survey



Hornepayne Economic  
Development



FAR NORTHEAST TRAINING BOARD (FNETB)  
your Local Employment Planning Council

COMMISSION DE FORMATION DU NORD-EST (CFNE)  
votre Conseil Local de Planification de l'Emploi



Provincial government support for businesses

<https://www.ontario.ca/page/covid-19-support-businesses>

Federal government support for businesses

<https://www.canada.ca/en/department-finance/news/2020/04/canadas-covid-19-economic-response-plan-new-support-to-protect-canadian-jobs.html>

Town of Hearst COVID-19 information

<https://www.hearst.ca/en/covid-19/>

Township of Hornepayne

[https://www.townshipofhornepayne.ca/news/what\\_s\\_new/coronavirus\\_facts](https://www.townshipofhornepayne.ca/news/what_s_new/coronavirus_facts)

Constance Lake First Nation

<http://clfn.on.ca/>

Municipality of Mattice Val-Côté

[https://www.facebook.com/Municipalit%C3%A9-de-Municipality-of-Mattice-Val-C%C3%B4t%C3%A9-551835745193547/?epa=SEARCH\\_BOX](https://www.facebook.com/Municipalit%C3%A9-de-Municipality-of-Mattice-Val-C%C3%B4t%C3%A9-551835745193547/?epa=SEARCH_BOX)