

KIRKLAND LAKE

COVID – 19 BUSINESS IMPACT SURVEY RESULTS

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

July 31, 2020



INTRODUCTION

This report contains the results of the July COVID-19 Business Impact Survey conducted by the Far Northeast Training Board in partnership with the Town of Kirkland Lake Economic Development Department, Kirkland and District Community Development Corporation, the Kirkland Lake Chamber of Commerce and Employment Options Emploi.

The July survey was conducted between July 10 and 22. 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 July survey with the responses to those questions from the surveys that were conducted in April and in May is challenging. We know however that 58% of those who responded to the July survey had also participated in the April survey, and that 48% of them had also responded in May.

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 in April, in May and in July, 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 surveys. 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, the Ontario government had just announced a stage-by-stage approach to loosening those emergency measures, and the stage one reopening of certain businesses. At the time of the July survey, many businesses and organizations had, or were slowly reopening according to the Ontario government's requirements and guidelines.

WHO ANSWERED THE SURVEY?

RESPONDENTS BY INDUSTRY

	APRIL	MAY	JULY
Agriculture, Forestry, Fishing and Hunting	3	1	0
Mining, Quarrying or Oil & Gas Extraction	4	3	3
Utilities	2	1	0
Construction	4	6	0
Manufacturing	2	3	2
Retail trade	21	16	7
Transportation and Warehousing	4	42	0
Information and Cultural Industries	4	0	0
Finance and Insurance	4	3	2
Real Estate and Rental & Leasing	3	2	1
Professional, Scientific and Technical Services	6	1	0
Administration & Support, Waste Management and Remediation Services	2	3	0
Educational Services	6	7	2
Healthcare and Social Assistance	7	4	4
Arts, Entertainment and Recreation	4	3	1
Accommodation and Food Services	12	8	2
Tourism	0	0	0
Public Administration	1	2	2
Other: wholesale, environmental lab, development services, dance instructor, Indigenous services, new come settlement, fitness.			

RESPONDENTS BY TYPE OF BUSINESS/ORGANIZATION

	APRIL	MAY	JULY
Number of businesses	72	57	35
Private	51%	70%	69%
Public	37%	18%	14%
Not-for-profit	11%	12%	17%

RESPONDING BUSINESSES/ORGANIZATIONS BY NUMBER OF EMPLOYEES

	APRIL	MAY	JULY
0 – employees	19	6	5
1 – 19 employees	34	44	22
20 – 49 employees	4	3	1
50 – 99 employees	3	1	4
100+ employers	2	3	2

Please note that some totals may not add up due to rounding and respondents who provided multiple answers to certain questions.

Impact of COVID – 19 on OPERATIONS

HIGH

This could put us out of business

MEDIUM

This is going to significantly impact our finances

LOW

This may impact us financially but we are confident that we could weather the storm.

NONE


	APRIL	MAY	JULY
HIGH	32%	18%	9%
MEDIUM	36%	37%	34%
LOW	26%	39%	46%
NONE	3%	7%	11%

OBSERVATIONS:

The decreasing percentage of businesses and organizations that rated the risk of COVID-19 as high, as well as the increasing percentage of those that indicate low or no risk is likely indicative of their capacity to adjust, over time to the situation as it evolves.

Between the end of March, at which time the government announced the emergency measures and required that all non-essential businesses close, and the July survey at which time Stage 3 reopening was possible, businesses and organizations probably have a better understanding of the actual impact of COVID-19 on their operations and that seems to be reflected in their answers to this question.

ESTIMATED FINANCIAL LOSS SINCE THE BEGINNING OF COVID-19



	APRIL	MAY	JULY
Number of businesses	44	55	35
\$20,000	55%	36%	53%
\$20,000 to \$50,000	25%	36%	24%
\$50,000 to \$100,000	16%	7%	9%
\$100,000 to \$500,000	5%	15%	6%
\$500,000 to \$1,000,000		5%	6%
\$1,000,000 or more		0%	3%

OBSERVATIONS:

The financial impact is also reflective of the time lapse since the beginning of COVID-19. During that period, businesses and organizations would have had time to somewhat adjust to the situation. As businesses and organizations were eligible to reopen, their focus was on getting ready to resume their operations and perhaps they were not quite sure of the extent of the losses incurred as a result of COVID-19.

The lower number of responses to this question over time is also likely attributable to the evolving situation.

WHAT ADDITIONAL IMPACTS HAVE YOU EXPERIENCED?

	APRIL	MAY	JULY
Number of respondents	68	56	36
No impact	3%	12%	8%
We reduced our hours, staff, and operations.	39%	51%	28%
We are open and operating with reduced hours.	35%	36%	14%
Our physical location is closed but we offer our products/service by telephone.	47%	49%	17%
Our physical location is closed but we offer our products/service online.	44%	38%	17%
We closed our business temporarily.	5%	42%	19%
We closed our business permanently.	1%	0%	0%
Our supply chain is interrupted.	37%	48%	31%
We had to cancel contracts.	28%	30%	6%
We've had contracts cancelled.	22%	34%	17%
We are having to restrict spending because of uncertainty.	60%	64%	39%
We experience a decrease in sales (donations if not-for-profit).	57%	54%	33%
We increased cleaning and sanitation at our office/facility.	56%	55%	53%

OBSERVATIONS:

The decrease in the percentage of businesses operating with reduced hours could result from some of the reopenings that took place during the gradual lifting of the restrictions.

The percentage of respondents who indicate that they are restricting spending because of the uncertainty and those who indicated that they had experienced a decrease in revenue seem more positive over time which might point again to reopening and adjusting to the situation.

Changes in regards to contract cancellations, whether businesses cancelling contracts or experiencing others cancelling contracts with them are hard to assess. Are the changes due to fewer cancellations, or are there no contracts left to cancel?

HIRING NEEDS

IF YOUR BUSINESS/ORGANIZATION IS OPEN, ARE YOU CURRENTLY HIRING?

	MAY	JULY
Number of responses	50	35
Yes	22%	23%
No	78%	77%

IF YES FOR WHICH OCCUPATIONS

MAY	JULY
Delivery drivers, graphic designer, layout prepress, administrative positions, customer experience associates, labourers, DZ drivers.	sales, geological technicians (2 FT), truck driver, personal support workers.

OBSERVATIONS:

The gradual reopening of some businesses and organizations doesn't seem to have yet had an impact on hiring.

In terms of the occupations for which businesses are hiring, there is a range of opportunities in both May and July.

Since the announcement of Stage 3 reopening was made as the July survey was being conducted, we could expect an increase in the future in the percentage of businesses and organizations that are hiring as those businesses and organizations resume their operations.

GOVERNMENT PROGRAMS

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

May

42%

Yes

58%

No

53 responses

July

40%

Yes

60%

No

35 responses

IF NO, PLEASE INDICATE WHY YOU HAVE NOT APPLIED

	MAY	JULY
Number of responses	34	22
No need at this time	35%	55%
Do not qualify	47%	41%

IF YES, PLEASE INDICATE WHICH PROGRAM YOU APPLIED FOR.

MAY	JULY
Canada Emergency Relief Benefit (CERB) – 7	Canada Emergency Relief Benefit (CERB) – 1
Canada Emergency Wage Subsidy (CEWS) – 7	Canada Emergency Wage Subsidy (CEWS/10% subsidy) – 5
Canada Emergency Business Assistance (CEBA) – 6	Business Loan (CEBA, CFDC) – 5

PLEASE INDICATE WHICH PROGRAM YOU HAVE BEEN APPROVED FOR.

MAY	JULY
Canada Emergency Relief Benefit (CERB) – 5	Canada Emergency Relief Benefit (CERB) – 1
Canada Emergency Wage Subsidy (CEWS) – 4	Canada Emergency Wage Subsidy (CEWS/10% subsidy) – 5
Canada Emergency Business Assistance (CEBA) – 4	Business Loan (CEBA, CFDC) – 4

GOVERNMENT PROGRAMS

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

- Quite simple and quick.
- All was good – quick and easy to apply for and received payment very quickly.
- Disorganized.
- I feel employment services are essential. I have been given limited contact with the people in my program at the worst possible time while other employment services are still being offered through video or phone. Fail again for developmental services in Ontario. My fear is if this goes on much longer my clients maybe the first to go in most workplaces without proper support.
- Since our business is so unique, we did not qualify for any relief funding.
- My business does not qualify for any government assistance. Many of my clients are in the same situation. We've fallen through the cracks.

GOVERNMENT GUIDELINES FOR RE OPENING

At this time, are you eligible to reopen under the government guidelines?

	July
Number of responses	30
Yes	87%
No	13%

Has your business/organization reopened?

	July
Number of responses	30
Yes	67%
No	33%



What do you estimate the cost to be for you to comply with the proposed guidelines and measures for reopening?

	May	July
Number of responses to this questions	47	31
\$0 – measures already in place	19%	26%
Under \$5,000	55%	55%
\$5,000 to \$10,000	9%	16%
\$10,000 to \$25,000	13%	0%
\$25,000 to \$50,000	4%	3%
\$50,000 or more	0%	0%

OBSERVATIONS:

The lower percentage of respondents who have reopened compared to those who are eligible to reopen could be attributable to the following:

- Stage 3 reopening was announced as the July survey was being conducted therefore some businesses and organizations had not yet reopened.
- Some businesses or organizations might chose to remain closed if reopening is not a viable option for them.

Please indicate challenges or barriers for your business or organization to comply to the government requirements and guidelines?

	May	July
Total number of responses to this question	46	30
The measures required limit our capacity and as result, it is not profitable for us to reopen.		3%
The proposed measures are already in place within our company or organization.	33%	27%
Not enough room for us to meet distancing guidelines for employees.	24%	10%
The size of our location, and the nature of our work which requires proximity with clients/customers.	37%	33%
Staffing – we lost some of our staff and will have to recruit and train new staff.	2%	7%
Cost – we will have to purchase PPE and rearrange workspace when we are experiencing a decrease in revenue.	35%	37%
Applying the guidelines will not be a problem for our business/organization.	26%	37%
Other (please specify): <ul style="list-style-type: none"> • Our services did not close at all, access however is restricted. Our office is not open to the public at this time except by phone. The guidelines put in place by the government to protect the people are extremely high and limiting for them (but for good reasons). • We are volunteer run. Difficult to ask a volunteer to man the space/host as it could affect their health. And the stress that they may do something wrong to cause someone else to get sick. Our volunteers did not sign up to do hours of cleaning. We need to apply for funding for a paid cleaner. • We stayed open throughout. • This program could have run through video, phone and staff wearing protective equipment when job coaching, sadly individuals with developmental disabilities were abandoned at the worst possible time. • We rent space at College and it is closed to the public. If program was located somewhere else, we would be able to open and resume some service on site. • Stage 3 has not allowed us to open yet. • 		

If you have reopened, what additional impacts are you experiencing?

	July
Total number of responses to this question	14
We have trouble accessing the required personal protection equipment.	4
We have trouble finding the workers that we need as we reopen.	0
Clients/customers are not coming back as much as we expected.	8
It is difficult to meet the increase demand since reopening.	2
Other (please specify): <ul style="list-style-type: none"> • Many have lost their jobs without consistent support and have told me what's the point if they are not going to receive support when they need it. • Restaurant limitations. 	

What resources, support or information would you need to assist at this time and as we move forward with the stage-by-stage reopening?

- Continued assistance with reduced banking fees, water charges, etc.
- A vaccine.
- Financial support to meet social distancing guidelines (signage, masks).
- Help with the cost of PPE.
- Free printable signage for COVID measures/procedures. I've looked online through government pages and haven't found anything suitable (Health Unit, Ontario government).
- I wish someone would see this is an essential service and cared about the employment of people with disabilities. The Development Services Ontario and the Ontario Government has once again not supported all the people. We save the government when these people are working, less ODSP to be paid out. The pride these people have to be contributing to society and gaining their independence and getting off the systems. Another big FAIL for people with developmental disabilities.
- Start up capital and investors.
- Loss of revenue.
- Little nervous about what future will hold and wonder if mandatory masking will be an issue.
- Lower the 30% to qualify for Wage Subsidy. We are not going to qualify in June, as we have lost 22%. Still a big loss and business is still slower than it was. People are afraid to come out of their homes, and to give their vehicles to anyone.

Partners involved in conducting the survey



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>

Municipal COVID-19 information

<http://www.kirklandlake.ca/index.php?id=174>

FedNor Regional Relief and Recovery Fund

http://www.ic.gc.ca/eic/site/icgc.nsf/eng/h_07682.html