

# TEMISKAMING SHORES

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 the City of Temiskaming Shores Economic Development, South Temiskaming Community Futures Development Corporation, the Temiskaming Shores & Area Chamber of Commerce, Enterprise Temiskaming and Employment Options Emploi.

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 was conducted in April is challenging. We do know however that 62% 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?

**102** businesses and organizations

**May**

**82%** Private    **7%** Public    **11%** Non-profit

**April**

**61%** Private    **24%** Public    **15%** Non-profit

**156** businesses and organizations

## EMPLOYEE SIZE RANGE - APRIL 1, 2020

**May**

**April**

<b>15</b>	0 employees	<b>35</b>
<b>56</b>	1 to 19 employees	<b>89</b>
<b>19</b>	20 to 49 employees	<b>7</b>
<b>4</b>	50 to 99 employees	<b>6</b>
<b>5</b>	100+ employees	<b>3</b>

## RESPONDENTS BY INDUSTRY

	<b>MAY</b>	<b>APRIL</b>
Agriculture, Forestry, Fishing and Hunting	11	25
Mining, Quarrying or Oil & Gas Extraction	3	10
Utilities	1	9
Construction	7	18
Manufacturing	14	18
Retail Trade	28	52
Transportation and Warehousing	5	6
Information and Cultural Industries	4	9
Finance and Insurance	3	5
Real Estate and Rental & Leasing	3	6
Professional, Scientific and Technical Services	5	14
Administration & Support, Waste Management and Remediation Services	0	1
Educational Services	8	4
Healthcare and Social Assistance	4	8
Arts, Entertainment and Recreation	14	11
Accommodation and Food Services	19	23
Public Administration	1	17
Other Services (Except Public Administration)	11	2
Other (Please Specify) Veterinary, Auction, Life Coaching, Community Foundation, Shoemaker		

# The impact of COVID – 19 on OPERATIONS

## LEVEL OF IMPACT

May		April
18%	<b>HIGH</b> This could put us out of business.	27%
46%	<b>MEDIUM</b> This is going to significantly impact our finances.	45%
31%	<b>LOW</b> This may impact us financially, but we are confident that we can weather the storm.	24%
5%	<b>NONE</b>	4%

## OBSERVATIONS:

The lower percentage in May compared to April of businesses and organizations that rated the risk of COVID-19 as high, as well as the 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	40%	31%	13%	13%	1%	1%
<b>May</b> (94 respondents)	\$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>April</b> (155 respondents)	47%	27%	14%	12%		

## OBSERVATIONS:

The financial impact is likely reflective of the time lapse of just over one 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	55%	32%	0%	16%
<b>May</b> <i>(101 respondents)</i> We reduced hours, staff and operations.	<b>46%</b> <i>(155 respondents)</i> We closed temporarily.	<b>37%</b> We closed permanently.	<b>0%</b> No impact.	<b>35%</b>

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

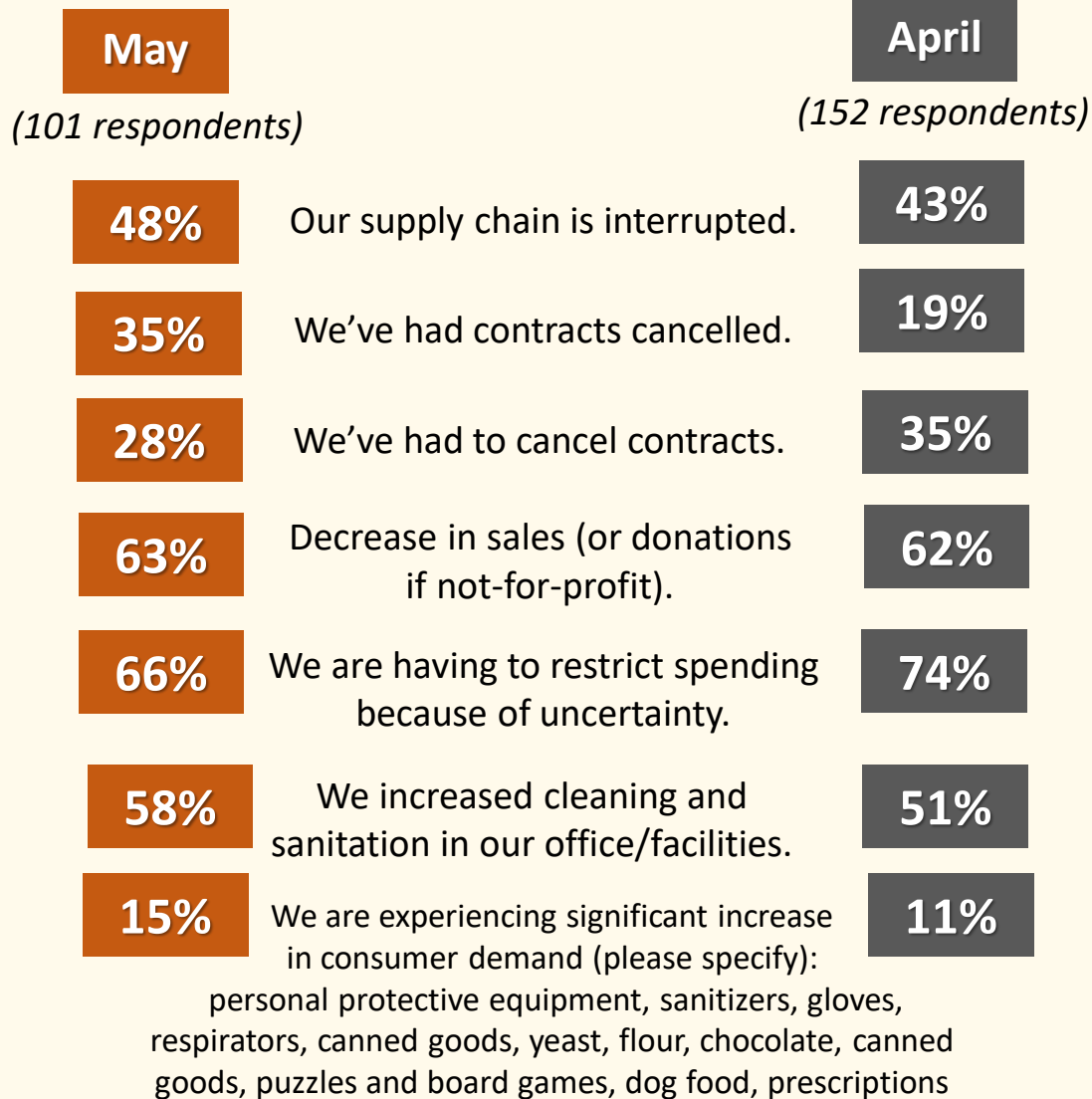
Month	44%	40%	47%	29%	58%	44%
<b>May</b> <i>(39 respondents)</i> Our storefront is operating with reduced hours.	Our storefront is closed but we offer our products and services by telephone.	Our storefront is closed but we offer our products and services online.	<b>April</b> <i>(117 respondents)</i> Our storefront is operating with reduced hours.	Our storefront is closed but we offer our products and services by telephone.	Our storefront is closed but we offer our products and services online.	Our storefront is operating with reduced hours.

### 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 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 increased 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 Temiskaming Shores area.

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 reopening 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 with 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

(97 respondents answered this question)

44%

Very aware

46%

Somewhat aware

9%

Unaware

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

(98 respondents answered this question)

53%

Yes

47%

No

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

(49 respondents answered this question)

35%

No need at this time

14%

Do not know how to access or apply

43%

Do not qualify

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

(47 respondents answered this question)

- Canada Emergency Relief Benefit (CERB) - 15
- Canada Emergency Wage Subsidy (CEWS) - 13
- Canada Emergency Business Account (CEBA) - 17
- Agri-Food - \$5,000 grant for website
- Rent assistance program
- Canada Youth Jobs Strategy
- Small business line of credit.

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

(34 respondents answered this question)

- CERB (10)
- CEWS (3)
- CEBA (13)
- Loan/CFDC (3)



# GOVERNMENT PROGRAMS

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

*(70 respondents answered this question)*

**31%**

Very easy to understand

**33%**

Fairly easy to understand

**17%**

Difficult/very difficult To understand

**16%**

Not applicable

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

- In plain English.
- It would be helpful to have a local contact person who could review our profile and direct us to what programs could work.
- The CEWS criteria, application, dates, it is a nightmare to navigate. We qualify but haven't figured out how to apply yet.
- I don't understand the rent relief program with the landlords.
- Rent subsidy has many restrictions.
- Wage subsidy has many restrictions for seasonal businesses.
- Make programs universal – eliminate thresholds and other barriers for eligibility.
- None, it was straightforward and responsive.

# GOVERNMENT GUIDELINES FOR RE OPENING

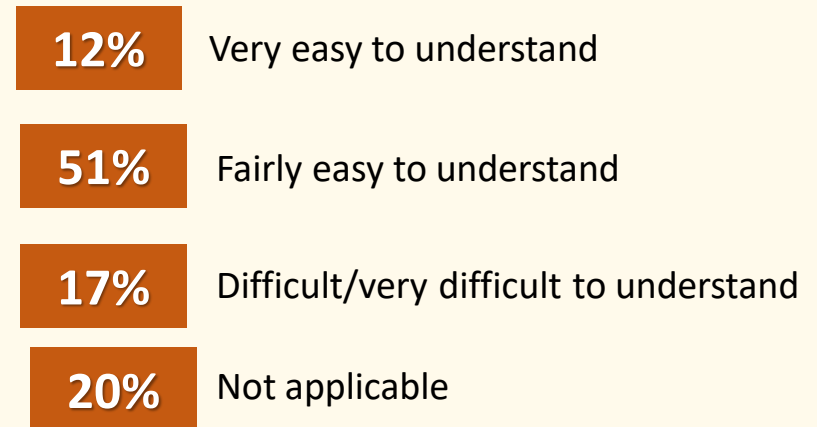
**PLEASE INDICATE YOUR LEVEL OF AWARENESS OF THE PROVINCIAL GOVERNMENT'S GUIDELINES FOR A STAGE-BY-STAGE REOPENING.**

*(92 respondents answered this question)*



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

*(89 respondents answered this question)*



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

- No guidelines yet for some of my work – entering clients' homes.
- Not entirely sure where we fall in the guidelines.
- Awaiting specific guidelines for our sector.
- My products and services require close proximity to clients – will be a challenge.

# GOVERNMENT GUIDELINES FOR RE OPENING

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

*(89 respondents answered this question)*

- 36%** The proposed measures are already in place within our company/organization.
- 16%** The size of our facilities – not enough room to meet the guidelines for distancing
- 6%** Staffing – we lost some of our staff and will have to recruit and train new staff.
- 26%** The nature of our work which requires close proximity to clients/customers.
- 28%** Cost – to purchase extra PPE and adapt our work area when we have a decrease in revenue.
- 29%** 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?

*(84 respondents answered this question)*

- 50%** Under \$5,000
- 17%** \$5,000 to \$10,000
- 5%** \$10,000 to \$25,000
- 1%** \$25,000 to \$50,000
- 2%** \$50,000 or more
- 25%** \$0 – measures are already in place



# COMMUNITY SUPPORTS

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

(93 respondents answered this question)

7%

Yes

93%

No

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

(88 respondents answered this question)

49%

Do not know what supports are available at the community level.

38%

Not needed at this time.

9%

Do not qualify.

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

(6 respondents answered this question)

- United Way – New Horizons Fund
- Community Futures Development Corporation CFDC
- NEOFACS

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

- Promote local businesses. Shop local.
- Have a clear and concise description of what needs to be done in order to comply, and for each of the businesses that want to open.
- Why is there no assistance to buy barriers, masks, gloves, sanitizers, etc to protect workers. This is an additional burden on the struggling businesses.
- The Chamber, Enterprise Temiskaming and the City have to step up and be out there and educate.
- Just be there as customers when we reopen.
- Restrict travel from district to district.
- Clear consistent information for the public.

# HIRING AND TRAINING NEEDS

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

(89 respondents answered this question)

19% Yes

81% No

## Main reasons identified for the hiring include:

- Since our business is agriculture, we will be experiencing change and will adjust.
- Shortage of drivers before pandemic which may increase.
- To fill seasonal work – summer and fall.
- Hiring for this position was planned previously.
- New position to meet increased demand (7).
- Additional staff to relieve current employees who have had to put in extra hours (2).
- To replace workers who opted not to work during the pandemic.

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

(59 respondents indicated that they would need training)

## Type of training needed:

- Training on proper COVID-19 protocol, how to protect ourselves and the public.
- Online presence and sales, working online.
- Website development and social media advertising.
- CPR, First Aid, Fall arrest.
- Customer service.
- Accessibility for Ontarians with Disabilities Act (AODA).



# BARRIERS TO OPERATING ONLINE

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

*(98 respondents answered this question)*

**22%**

No website.

**6%**

Not on social media.

**19%**

Limited capacity/labour.

**26%**

Lack of/limited knowledge in electronic commerce.

**9%**

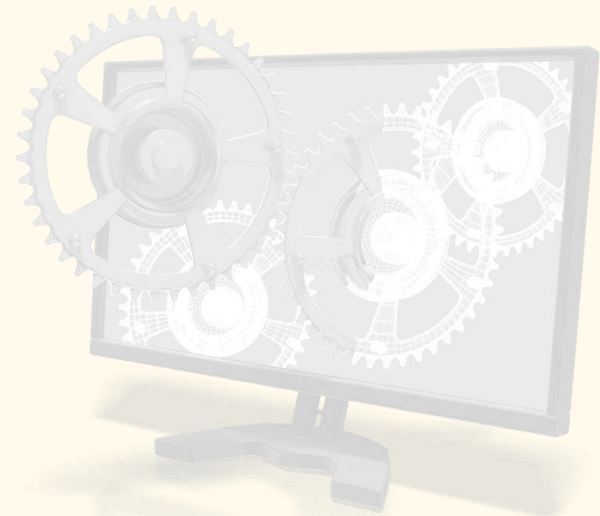
Lack of/limited connectivity.

**37%**

Products/services cannot be delivered online.

**23%**

No barriers/already operating online.





# 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://temiskamingshores.ca/en/city-hall/covid-19-updates.asp>

Temiskaming Shores Chamber & Area Chamber of Commerce

<https://tsacc.ca/covid-19/>