
From Crisis to Recovery: How COVID-19 is Impacting Businesses in Thunder Bay (Part 3)

AUGUST 2020 RESULTS

**Thunder Bay District
COVID-19 Business Impact
SURVEY**





Table of Contents

Partners..... 3

Executive Summary..... 4

Introduction 5

Results 5

 Business Continuity Impact..... 8

 Business Human Resource Impact..... 18

Conclusion 23

Works Cited..... 23



Partners



Northern Policy Institute is Northern Ontario's independent think tank. They perform research, collect and disseminate evidence, and identify policy opportunities to support the growth of sustainable Northern communities. NPI operations are located in Thunder Bay and Sudbury. They seek to enhance Northern Ontario's capacity to take the lead position on socio-economic policy that impacts Northern Ontario, Ontario, and Canada as a whole.



The North Superior Workforce Planning Board (NSWPB) is one of twenty-six Workforce Planning zones across Ontario, mandated through the Ministry of Labour, Training, and Skills Development to identify, assess and prioritize the skills and knowledge needs of community, employers and individual participants/learners in the local labour market through a collaborative, local labour market planning process.



The Thunder Bay Community Economic Development Commission (CEDC) is responsible for business development, business retention and expansion, entrepreneurial support, opportunity promotion, and collection and assessment of key business data.

They can help with community information and statistics, networking and referrals, assistance in site selection, and labour market data.



The Thunder Bay Chamber of Commerce is a voluntary, member-driven organization of individuals and businesses working together to advance the commercial, financial, and civic interests of the Thunder Bay community. They pool resources to offer member learning opportunities, address policy issues, facilitate connections between members, and aim to bring businesses together to work towards common goals.



Executive Summary

As we all know, the COVID-19 crisis is having a significant impact on the Canadian economy. In response, a COVID-19 business impact survey was made available to employers in the Thunder Bay District to develop an understanding of how the pandemic is affecting business on aspects such as financials, workforce size, service delivery, and long-term viability. This survey will continue to be delivered to businesses over the next few months.

Compared to the previous two surveys, there were several important findings in this survey round. For example, 22 per cent of employers classified the strategic risk that COVID-19 poses to the long-term prospects of their business as highly negative (this could put them out of business) and 13 per cent ranked their strategic risk as medium positive. This is the lowest and highest percentages achieved of all surveys for these two rankings, which suggests that more employers in the Thunder Bay District have positive prospects for their businesses.

Further, fewer respondents in August stated having reduced hours and staff compared to May and more respondents in August experienced increased cleaning, sanitation and protective measure in their offices/facilities, an increase in their business equity/value, increase in sales and an increase in consumer demand for certain items in August compared to the previous month. This data suggests more businesses are returning to operations that mimic pre-COVID volumes. Also, a higher percentage of employers stated that they are delivering new services and re-tooling to manufacture in-demand supplies and carrying out other business innovations/changes in August compared to previous months. This tells us that more businesses are adapting to the new situation in order to be allowed to operate and to ensure their clients/customers are safe. In addition, more businesses are supporting their employees compared to previous months by an observed increased implementation of safety measures, increased education on the virus, and government programs and increased amount that are paying the wages of their employees while they are off for quarantine or illness.

The findings that come from this survey are important because they provide community decision makers with an understanding of how businesses are faring during COVID-19, and how to then respond appropriately. As well, employers and organizations that have succeeded in finding new ways to operate could share this information with their entrepreneur peers, which could benefit the economy and the well-being of the community.



Introduction

COVID-19 has been felt all around the world, and Northern Ontario is no exception. As such, it is important to understand how COVID-19 has impacted our local economies. With this in mind, a survey targeted at businesses was developed in partnership by Northern Policy Institute, North Superior Workforce Planning Board, Thunder Bay Chamber of Commerce, and Thunder Bay Community Economic Development Commission.

The results gathered from these surveys can be used by community partners and government to continue responding appropriately to COVID-19. The survey will be provided to businesses in the City and District of Thunder Bay over the next few months, as well as businesses in the Kenora and Rainy River Districts.

Results

The results of Thunder Bay's Business Impact Survey for the month of August are summarized below. The survey collection period was between August 4 – August 17th, 2020. During this period, the total number of confirmed COVID-19 cases in Ontario increased from 39,628 on August 4th to 40,745 on August 17th (Government of Ontario 2020). For the Thunder Bay District Health Unit (TBDHU), there was one additional case reported during the same time period (Public Health Ontario 2020). Finally, as of August 23rd, 2020, TBDHU reported there have been 36,211 tests performed and 102 confirmed cases (Thunder Bay District Health Unit 2020).

Breaking down the confirmed cases further, most local cases tend to be in Thunder Bay and the surrounding area (76 per cent), while the remaining percentage of cases were in First Nations communities and other communities in the district (Thunder Bay District Health Unit 2020). As well, 42 per cent of cases were due to being in close contact with positive COVID-19 case, while 37 per cent were classified as “no known exposure”. Lastly, 12 per cent of confirmed cases were due to travel and 11 per cent of confirmed cases were due to an outbreak at a mine (Thunder Bay District Health Unit 2020).

Since the last survey, Ontario took a regional approach to move into Stage 3 with most Ontario regions (including TBDHU) permitted to move into Stage 3 as of July 17th (Government of Ontario 2020b). A region entering Stage 3 allows for nearly all businesses and public spaces to reopen as long as they follow public health guidelines. Indoor and outdoor gathering limits were increased to 50 people indoors and as many as 100 people outdoors with physical distancing being enforced (Government of Ontario 2020b). The few places and activities that cannot yet open in Stage 3 are places where physical distancing is difficult and there is the presence of large crowds. Examples of these places/activities are amusement parks, buffet-style food services, dancing at restaurants and bars, and overnight stays at camps for children.



Before diving into all the results in this summary report, there are a few key results that should be highlighted from this analysis. Overall, a lower proportion of employers believe that COVID-19 will put them out of business completely compared to previous survey results. As well, more businesses are operating at a capacity that resembles pre-COVID conditions. Continuing to innovate and adapt have most likely permitted the increased operations. Finally, more employers are supporting/protecting their employees.

For this round on the Thunder Bay Survey, there was a total of 67 valid responses. Approximately 63 per cent of employers responding to this survey did not have a postal code that was found in the May survey, suggesting that they did not respond to that survey. This is 14 per cent lower than the first-time response rate in May. Unless stated otherwise, all percentages are calculated based on the number of respondents to the relevant question.

69 per cent of survey respondents are private businesses, 18 per cent are public and nine per cent are not-for profit (Table 1). The percentage of employers from public businesses increased whereas the percentage of employers from not-for-profits decreased since the May survey.

Table 1. Percentage of employers that identify with the following type of business

	Private (%)	Public (%)	Not-for-profit (%)	Other (%)
April	78	10	9	3
May	69	12	15	4
August	69	18	8	5



74.6 per cent of respondents stated that their primary business location was Thunder Bay (Table 2). This is lower than the 95.1 per cent of businesses who stated their primary business location was in Thunder Bay in the May/Early June survey (Kvas 2020). This suggests that the August survey succeeded in reaching out to more rural communities. The percentage of businesses that stated their primary business locations in other communities are also stated in Table 2. Fort William, Shuniah, Upsala, Nipigon, Longlac, and Savant Lake were identified as primary business locations in the August survey.

Table 2. Percentage of businesses that stated the region as their primary business location

Primary Business Location	Percentage of Businesses
Thunder Bay	77.6
Terrace Bay	9.0
Rosslyn	4.5
Manitouwadge	1.5
Shuniah	1.5
Upsala	1.5
Nipigon	1.5
Longlac	1.5
Savant Lake	1.5



BUSINESS CONTINUITY IMPACT

In August, 22 per cent of employers classified the strategic risk that COVID-19 poses to the long-term prospects of their business as highly negative (this could put them out of business), 36 per cent as medium negative (this is going to significantly impact their financials) and 19 per cent as low negative (this may impact their financials, but they are confident they can weather the storm) (Table 3). Since April, there has been a decreasing percentage of respondents ranking their strategic risk as highly negative, which could be interpreted as more employers in the Thunder Bay District are having positive outlooks on their business prospects. This is also supported by the increase in businesses ranking their prospects as medium positive in August compared to the previous months. On the other hand, the lower percentage of respondents ranking their strategic risk as highly negative could also be due to these businesses no longer in operation. This is likely since data from Statistics Canada demonstrates that business closings increased by 136 per cent when comparing April 2019 to April 2020 for the Thunder Bay census metropolitan area (Statistics Canada 2020). For instance, an employer that permanently closed their business would unlikely respond to this survey for the following months.

Table 3. Percentage of businesses rating the strategic risk that COVID-19 poses to the long-term prospects of their business

	Highly negative – this could put us out of business (%)	Medium negative – this is going to significantly impact our financials (%)	Low negative – this may impact us financially, but we are confident we can weather the storm (%)	None (%)	Low positive – demand for our products/services has changed but is still sufficient to maintain operations (%)	Medium positive – we are seeing increased demand for some of our products/services (%)	Highly positive – we have added staff and expanded production to meet demand (%)
April	32	46	14	0	0	7	1
May	29	30	26	3	6	9	3
August	22	36	19	4	6	13	1

Out of businesses who stated having secondary or affiliated operations in communities, 25 per cent said that COVID-19 could put them out of business while 42 per cent expect significant impacts to their finances (Table 4). Out of businesses that operate in only one community, 22 per cent said that COVID-19 could put them out of business, 35 per cent expect significant impacts to their finances, while 24 per cent say they can survive the strain on their revenue (Table 4). To summarize, these results suggest more businesses in the Thunder Bay District that have secondary affiliations with other communities rank their businesses as highly or medium negative. This is opposing to the results produced by the April and May surveys.



Table 4. Percentage of businesses rating the strategic risk COVID-19 poses to the long-term prospects of their business by whether business has secondary affiliations or not

		Highly negative – this could put us out of business (%)	Medium negative – this is going to significantly impact our financials (%)	Low negative – this may impact us financially, but we are confident we can weather the storm (%)	None (%)	Low positive – demand for our products/services has changed but is still sufficient to maintain operations (%)	Medium positive – we are seeing increased demand for some of our products/services (%)	Highly positive – we have added staff and expanded production to meet demand (%)
Businesses that have secondary affiliations with other communities (%)	April	20	50	25	0	0	5	0
	May	24	24	38	0	10	5	0
	August	25	42	0	0	0	33	0
Businesses that only operate in one community (%)	April	20	60	12	0	0	8	0
	May	30	31	18	3	5	10	3
	August	22	35	24	6	7	9	2

Note: Some respondents answered twice.

The level of strategic risk that COVID-19 poses to the long-term prospects of businesses per industry sector is shown in Table 5 below. The business sectors were aggregated into goods-producing industries and service-producing industries for privacy purposes (Bureau of Economic Analysis 2006). For this survey round, there seems to be an improvement in the estimated strategic risk over time for the goods-producing sector because there are more respondents estimating their strategic risk as medium positive and less as highly negative. However, there was a sharp increase in respondents from the goods-producing sector ranking their long-term prospects as medium negative. For the service-producing sector, there are more respondents stating their long-term prospects as medium positive. Although, there was an increase in respondents stating their long-term prospects as medium negative.



Figure 5. Percentage of businesses that classified the strategic risk that COVID-19 poses to the long-term prospects of their business by industry sector

		Highly negative – this could put us out of business (%)	Medium negative – this is going to significantly impact our financials (%)	Low negative – this may impact us financially, but we are confident we can weather the storm (%)	None (%)	Low positive – demand for our products/services has changed but is still sufficient to maintain operations (%)	Medium positive – we are seeing increased demand for some of our products/service (%)	Highly positive – we have added staff and expanded production to meet demand (%)
Goods-producing Industries	April	23	54	15	0	0	8	0
	May	17	17	33	0	8	25	0
	August	15	31	8	0	15	31	0
Service-producing Industries	April	24	57	13	0	0	4	2
	May	22	27	29	2	9	9	3
	August	22	36	17	2	6	17	0

Out of the businesses that responded to the question “How has COVID-19 impacted your business’s/organization’s operations?”, the percentage that agreed with the provided options are below (Table 6). Some important points include that less respondents stated having reduced hours and staff in August compared to May, suggesting that more businesses are increasing their operations. A much higher percentage of employers stated that they are delivering new services, re-tooling to manufacture in-demand supplies, and undergoing other business innovations/changes in August compared to previous months. This suggests that more businesses are adapting to the new situation and changing to ensure the community’s safety and needs are met. Business innovations that were mentioned from employers responding to the August survey include restructuring to be online, accepting email orders, making a patio, changing the seating capacity, increased cleaning and sanitation measures, increased outdoor work, offering Facebook Live virtual shopping shows, offering curbside pick-up, renovating spaces and using PPE to meet public health guidelines. Most of these innovations are similar to ones described by respondents of the May survey. Other business changes that were mentioned from employers responding to the August survey are increased work breaks because of difficulties with working while wearing a mask, shortages of material, increased overhead costs due to having to buy PPE and implement costly renovations to their workspace, service reductions, and returning to normal operations.



Table 6. COVID-19 Impacts on Businesses/Organizations

<u>COVID-19 Impacts on Businesses/Organizations</u>	<u>April (%)</u>	<u>May (%)</u>	<u>August (%)</u>
Reduced hours	25	48	35
Reduced staff	28	43	29
Working remotely but continuing operations	24	35	28
Closed our business/organization temporarily	45	35	23
Operating online	18	35	22
Accepting telephone orders	13	24	18
Delivering new services	9	19	15
Other business innovations/changes:	13	14	12
Re-tooled to manufacture in-demand supplies	3	4	11
Developed new partnerships with businesses, non-profits or charities	1	4	8
Increased hours	1	3	6
Increased staff	1	3	5
Closed our business/organization permanently	3	1	0
No impact	4	1	0

Note: Respondents could choose more than one option.

For the August survey, a few more answer options were added to the question regarding how COVID-19 impacted businesses to reflect the current situation. 29 per cent of respondents stated that they were previously closed but have now re-opened in limited capacity while 15 per cent of respondents revealed having trouble recalling or hiring employees. Lastly, 14 per cent of respondents had to work remotely but have now returned to regular operations.

In addition to previous surveys, we wanted to explore the reasons employers are having trouble recalling or hiring employees, what employers had to go through in order to physically re-open, and obtain further details on the types of business innovations. Thus, new questions were added to the August survey to obtain this information. Table 7 explores the percentage of employers agreeing with one of the provided answer options that explain why they are experiencing trouble recalling or hiring employees. “Employees would prefer to use CERB/CESB” and “Other” were the most popular reasons amongst survey respondents for why they were finding it difficult to recall or hire employees. Interestingly, zero respondents stated that it was because their employees could not access childcare easily, which is surprising since data from the media has shed light that some people have shared that they cannot return to work as the economy reopens due to lack of available childcare (Bogart and Lee n.d.). For the employers that selected other, the reasons they specified were that many of their staff have changed jobs, the natural turnover of staff is less, employees have moved away and that their grants are being processed too slowly to take on new staff.



Table 7. Percentage of employers agreeing with the provided reasons that explains why they are having trouble recalling or hiring employees

Reasons for having trouble recalling or hiring employees	Percentage (%)
Employees would prefer to use CERB/CESB	33
Other (please specify)	33
Employees are concerned about their own or their family's health and safety	25
Student employees do not have enough time before school to start new work	8
Employees cannot access childcare easily	0

When asked what they have had to go through if they have returned to storefront or in-person operations, 81 per cent of respondents stated that they have had to implement public health measures. These measures ranged from providing PPE such as masks, signage, screening, physical distancing, public health training, disinfectants and/or plexiglass. Also, this includes limiting the capacity of clients in a workspace per day, monitoring mask wearing, tracking all customers that enter a facility, and increasing online operations. More specifically, one respondent stated having to spend over \$1,000 in renovations to reopen and another mentioned spending approximately \$5,000 to include a temporary patio. This demonstrates that some employers were required to spend large amounts of money in order to reopen. Seven per cent of employers stated that they had difficulties getting the information they needed regarding how to reopen safely.

When asked to elaborate on the new services they had to deliver, 38 per cent of respondents stated they had to develop new online operations such as making ordering available online. 23 per cent of respondents stated they made local delivery free. Other respondents provided local delivery options, pandemic advice, online conferences, switched to an order/delivery model, provided contactless pick-up services, and went to clients' houses instead of opening their storefront. When asked to elaborate on the new in-demand supplies they have had to re-tool to manufacture, three respondents stated that these in-demand products were face masks and/or hand sanitizer.

Out of the businesses that responded to the question "What additional impacts from COVID-19 has your business/organization experienced?", the percentage that agreed with the provided reasons are below (Table 8). To summarize, the August survey experienced a higher percentage of respondents that increased cleaning, sanitation, and protective measure in their offices/facilities, experienced an increase in their business equity/value, increase in sales and increase in consumer demand for certain items compared to the previous months – all positive events. On the more negative side, more respondents had to restrict spending because of the uncertainty and experienced interrupted and bottlenecked supply chains. Other impacts respondents shared were the cancellation of outreach events, business partner disruptions due to differing views on PPE, some services are no longer possible because of public health restrictions and the decreased amount of travelers caused a reduced amount of consumer spending. For those that stated that their business equity/value has increased, 20 per cent stated it increased slightly whereas 80 per cent stated it increased noticeably. For respondents that stated their business equity/value has fallen, 50 per cent stated it has fallen slightly and 46 per cent stated it has fallen noticeably.



Table 8. Additional Impacts on Businesses/Organizations

Estimated Financial Impact	April (%)	May (%)	August (%)
Increased cleaning, sanitation and/or protective measures in our offices/facilities	36	66	79
Having to restrict spending because of the uncertainty	55	51	57
Experiencing decreases in sales (or donations if non-profit)	52	68	56
Business equity/value has fallen	45	43	44
Debt load has increased	40	46	41
Supply chain is interrupted	27	24	39
Supply chain is experiencing bottlenecks	14	25	30
Had contracts cancelled	36	35	23
Other (please specify)	5	6	15
Had to cancel fundraising events (for non-profits)	13	22	15
Had to cancel contracts	19	19	15
Experiencing significant increase in consumer demand for certain items	4	11	13
Experiencing increases in sales	3	5	13
Business equity/value has increased	1	5	8
Have excess perishable supplies	3	6	5
Signed new contracts with other businesses	4	6	3
Signed new contracts with government	1	0	0

Note: Respondents could choose more than one option.

A large majority of businesses that responded to this survey are negatively financially impacted by the crisis as seen by the reported data (Table 9). Out of the 57 businesses that responded to the question, 30 per cent estimated that their sales and income decreased by more than \$100k. 16 per cent stated that their sales/income decreased by \$50-100k, 12 per cent stated that their sales/income decreased by \$20-50k and 26 per cent stated that the sales/income decreased by \$0-20k. Some businesses experienced positive financial impacts during COVID-19 – 4 per cent stated that their sales/income increased by 0-20k, 2 per cent stated that it increased by 20-50k and 2 per cent stated that it increased by more than 100k.

When answering the question about estimated financial impact of the crisis on a respondent's business to date, respondents were then asked what percentage of their revenue that financial impact represents. The results of this can be found in Table 10.



Table 9. Percentage of employers stating an estimated financial impact that COVID-19 has on their business

Estimated Financial Impact	April (%)	May (%)	August (%)
Decreased sales/income more than \$100k	21	36	30
Decreased sales/income \$50-100k	13	21	16
Decreased sales/income \$20-50k	28	19	12
Decreased sales/income \$0-20k	29	12	26
No financial impact	N/A	5	9
Increased sales/income \$0-20k	6	0	4
Increased sales/income \$20-50k	3	0	2
Increased sales/income \$50-100k	0	3	0
Increased sales/income more than \$100k	0	4	2

Table 10. Percentage of total revenue the above financial impacts represent

Percentage for revenue gain or lost (negative)	Percentage of respondents (%)
75-100%	0
50-74%	2
25-49%	2
1-24%	4
0%	6
Negative 1-24%	30
Negative 25-49%	22
Negative 50-74%	15
Negative 75-100%	20

The level of familiarity that employers in the Thunder Bay District have for the Federal and Provincial governments' COVID-19 programs is demonstrated in Table 11. The programs that respondents are most familiar with are the Canada Emergency Wage Subsidy and the Canada Emergency Response Benefit, with 84 per cent and 80 per cent stating they are either very familiar or somewhat familiar, respectively. These are the same results as those obtained from the April and May surveys. The programs that respondents are the least familiar with are the Regional Opportunities Investment Tax Credit and the Large Employer Emergency Financing Facility Program with 60 and 59 per cent stating they are either somewhat unfamiliar or very unfamiliar with these programs, accordingly. This is slightly different than the May survey because for that month the Industrial Research Assistance Program was one of the programs that people were least familiar with at that time.



Table 11. Level of Familiarity with the Federal and Provincial Governments' COVID-19 employer programs

Federal and Provincial governments' COVID-19 Employer Programs	Very Familiar (%)	Somewhat Familiar (%)	Somewhat Unfamiliar (%)	Very Unfamiliar (%)	Unsure (%)
Canada Emergency Wage Subsidy	46	39	5	4	7
10% Temporary Wage Subsidy	34	29	16	12	9
Extending the Work-Sharing Program	8	21	15	42	15
Canada Emergency Commercial Rent Assistance	20	35	20	16	9
Changes to the Canada Summer Jobs Program	9	19	11	45	15
Tax/Remittances Deferral Programs	23	42	14	14	7
Sales Tax Remittance and Customs Duty Payment Deferral	21	23	17	26	13
Business Credit Availability Program	18	25	16	27	13
Canada Emergency Business Account	35	26	9	20	9
Insured Mortgage Purchase Program	2	8	15	40	35
Canada Emergency Response Benefit	41	39	7	8	5
Entrepreneurial Support Programs	4	13	19	39	26
Regional relief and Recovery Fund	8	15	19	38	21
Industrial Research Assistance Program	2	6	12	38	42
Employer Health Tax Relief	9	19	17	34	21
Regional Opportunities Investment Tax Credit	2	4	17	42	35
Large Employer Emergency Financing Facility Program	4	2	10	49	35

Next, the level of satisfaction that employers in the Thunder Bay District have towards these federal and provincial programs was analyzed (Table 12). 56 per cent of businesses answering this question stated that they are very or somewhat satisfied with the Canada Emergency Wage Subsidy, 46 per cent are very or somewhat satisfied with the 10% Temporary Wage Subsidy, and 40 per cent are very or somewhat satisfied with lower electricity rates and the Canada Emergency Response Benefit. Some interesting points to note are that much fewer respondents to the August survey are satisfied with the Canada Emergency Response Benefit compared to the respondents from the May survey. 45 per cent of respondents are very or somewhat unsatisfied with the Canada Emergency Commercial Rent Assistance, 25 per cent are very or somewhat unsatisfied with the Entrepreneurial Support Programs and 24 per cent are very or somewhat unsatisfied with the Canada Emergency Response Benefit and the Canada Emergency Business Account. The fact that the Canada Emergency Response Benefit is found in both the most satisfied and most unsatisfied reflects that many know about this program and few feel neutral about it. On the same wavelength as the May survey results, the Canada Emergency Commercial Rent Assistance programs is the least liked by respondents. Interestingly, the May survey results had the 10% Temporary Wage Subsidy as a top unsatisfied program by respondents whereas in August, it has now moved up to a program that many are satisfied with.



Table 12. Employer's Level of Satisfaction with the Federal and Provincial COVID-19 Programs for Employers

Federal/Provincial COVID-19 Programs for Employers	Very Satisfied (%)	Somewhat Satisfied (%)	Somewhat Unsatisfied (%)	Very Unsatisfied (%)	Neutral (%)
Canada Emergency Wage Subsidy	26	30	9	9	26
10% Temporary Wage Subsidy	13	33	4	10	40
Extending the Work-Sharing Program	2	13	2	9	74
Canada Emergency Commercial Rent Assistance	4	10	20	24	41
Changes to the Canada Summer Jobs Program	2	4	9	11	74
Tax/Remittances Deferral Programs	16	18	0	10	57
Sales Tax Remittance and Customs Duty Payment Deferral	13	6	4	11	66
Business Credit Availability Program	4	10	4	19	63
Canada Emergency Business Account	16	12	6	18	48
Insured Mortgage Purchase Program	0	0	5	7	89
Canada Emergency Response Benefit	22	18	12	12	36
Entrepreneurial Support Programs	4	4	10	15	67
Regional Relief and Recovery Fund	2	0	9	16	73
Industrial Research Assistance Program	0	2	2	5	91
Regional Opportunities Investment Tax Credit	0	5	2	7	86
Lowering electricity rates	9	32	17	4	38
Large Employer Emergency Financing Facility Program	0	0	2	11	86



The percentage of businesses that stated they were currently using or are going to use the following federal and provincial programs are stated below (Table 13). The most utilized programs are the Canada Emergency Wage Subsidy, the 10% Temporary Wage Subsidy, the Canada Emergency Business Account and the Canada Emergency Response Benefit with 54 per cent, 41 per cent, 36 per cent and 34 per cent of employers stating that they had or will have access to these, respectively. These results are like the May survey results except that the 10% Temporary Wage Subsidy is more popular. Lots of employers stated that they are not eligible for the Changes to the Canada Summer Jobs Program, the Industrial Research Assistance Program, and the Extending the Work-Sharing Program. These results are like the May survey results except that more respondents stated not being eligible to the Changes to the Canada Summer Jobs Program in August compared to previous months.

To be eligible for the Canada Summer Jobs Program 2020, employers must be able to provide quality work experiences for youth and have a dedicated mentor (Government of Canada 2020). A business must be undertaking a technology-drive innovative project to be eligible for the Industrial Research Assistance Program (Government of Canada 2020b). As for the Extending the Work-Sharing program, only employees eligible for Employment Insurance qualify (Government of Canada 2020b).

Table 13. Percentage of businesses that stated they had or are going to access to one of the following Federal and Provincial programs

Federal and provincial governments' COVID-19 Employer Programs	Yes	No	Not eligible
Canada Emergency Wage Subsidy (f)	54	15	31
10% Temporary Wage Subsidy (f)	41	29	29
Canada Emergency Business Account (f)	36	40	23
Canada Emergency Response Benefit (f)	34	43	23
Tax/Remittances Deferral Program (f/p)	33	56	10
Canada Emergency Commercial Rent Assistance (f)	19	48	33
Sales Tax Remittance and Customs Duty Payment Deferral (f)	17	57	26
Business Credit Availability Program (f)	17	52	30
Entrepreneurial Support Programs (f)	9	58	33
Changes to the Canada Summer Jobs Program (f)	7	43	50
Regional Opportunities Investment Tax Credit (p)	2	69	29
Regional Relief and Recovery Fund (f)	2	63	35
Extending the Work-Sharing Program (f)	0	53	47
Insured Mortgage Purchase Program (f)	0	59	41
Industrial Research Assistance Program (f)	0	51	49
Large Employer Emergency Financing Facility Program (f)	0	44	56

Note: (f) signifies the program is federal whereas (p) signifies a provincial program



With regard to how respondents felt about the application process for the government programs, in general, 43 per cent of respondents stated that the application process was easy. Strangely, this is approximately 40 per cent less than what the respondents from the May survey stated. There were positive comments about the application process for the Wage Subsidy and CERB programs. Some other comments included that some of their submitted applications have not received approval yet, that the challenges of independent retailers continue to be misunderstood and finally, these programs do not help pre-revenue businesses like start-ups.

BUSINESS HUMAN RESOURCE IMPACT

The percentage of businesses that stated having the following workforce sizes are found in Table 14. Compared to the previous months, the August survey seems to have more respondents that have workforce sizes between 20 to 49. Other than that, the proportion of businesses for each workforce size are similar for all survey rounds.

Table 14. Percentage of businesses that stated having one of the following workforce sizes.

Size of workforce (Number of employees)	April (%)	May (%)	August (%)
1 to 9	78	72	69
10 to 19	8	10	11
20 to 49	12	10	16
50 to 99	0	0	2
100 or more	2	7	2

The percentage of businesses who answered this question and laid off workers of a certain type and the average number of laid off workers were analyzed (Table 15). No businesses with workforce sizes 50-99 and 100 or more responded to this question so they were excluded from this table. The average number of full-time employees laid off is less for all workforce sizes for the August survey compared to the May survey. Only 26 per cent of businesses with a workforce size 1 to 9 laid off part-time employees in August compared to 43 per cent in May.



Table 15. Percentage of businesses that laid off employees by employee type and average number of employees laid off by employee type

Size of workforce (Number of employees)	Businesses that laid off full-time employees (%)	Average number of full-time employees laid off	Businesses that laid off part-time employees (%)	Average number of part-time employees laid off	Businesses that laid off seasonal workers (%)	Average number of seasonal workers laid off	Businesses that laid off contract workers (%)	Average number of contract workers laid off
1 to 9	13	2	26	6	3	2	0	n/a
10 to 19	8	7	5	8	0	n/a	3	4
20 to 49	5	10	10	13	0	n/a	0	n/a

Note: Respondents could enter more than one option.

Next, the author analyzed the percentage of businesses that had to hire additional employees or recall laid-off employees because of the COVID-19 crisis (Table 16). Likewise to the May survey results, more businesses stated that they recalled laid-off employees compared to hiring new ones. The most workers recalled to a single workplace was 14 employees.

Table 16. Percentage of businesses that hired additional employees and recalled past laid-off employees and average number of employees hired or recalled

	Percentage (%)	Average number of employees
Businesses that hired additional employees	19	1
Businesses that recalled laid off employees	50	5

Many employers implemented measures to support/protect their employees during the COVID-19 crisis. The percentage of employers that stated implementing one or more measures to support/protect their employees during this crisis is found in Table 17. Compared to previous months, there is a higher percentage of August survey respondents that implemented physical distancing measures in their business, educated their employees on the virus and prevention measures, informed employees of government assistance programs, paid wages to employees that are off work for quarantine or illness and hired or made employees aware of mental health and well-being resources. To summarize, these results suggest that employers are further supporting their employees in August compared to May and April.



Table 17. Percentage of employers that implemented the following measures to support/protect employees during the COVID-19 crisis

Measures implemented to support/protect employees during this crisis	April (%)	May (%)	August (%)
Implemented physical distancing measures in our business	41	68	76
Educated our employees as to the symptoms and risks associated with the virus, as well as prevention measures	48	70	74
Informed employees of the government assistance programs	34	51	55
Required employees to work from home	25	33	33
Staggered work hours for employees	13	33	26
Hired or made employees aware of mental health and well-being resources	7	25	26
Pay wages to employees that are off work for quarantine or illness.	7	14	24
Other	13	13	24
Closed our business/organization temporarily and not paying employees during closure	36	24	12
Asking employees to use vacation, sick or personal days during the crisis, and deferring layoffs	5	5	5



WHAT DO YOU THINK THE GOVERNMENT CAN DO TO ASSIST YOU RIGHT NOW?

For the open-ended question “What do you think the government can do to assist you right now?”, the most common answer at the local level was encourage local shopping (16 per cent), followed by reduce red tape (11 per cent), control expenses (11 per cent) and provide tax relief (11 per cent). Other suggestions at the local level include eliminating the employment insurance tax code for hair salon booth rentals, providing additional support for the food and restaurant industry, allowing all businesses to open, supplying free PPE, funding start-ups, removing all taxes on non-profits, lowering business taxes, and cutting taxes for small businesses.

At the provincial level, the most common answer at 10 per cent was allowing all private businesses to operate freely. Other suggestions from employers that government at the provincial can do right now to help includes eliminating the EI tax code for hair salon booth rentals, reduce red tape, have more stringent education on the importance of masks and physical distancing, buy advertising, waive license fees, promote local shopping, increase eligibility requirements, fund startups even if they are part-time, extend assistance programs, remove all taxes on non-profits, provide funds for businesses to purchase PPE, invest in small to medium businesses, lower taxes, fund the arts/entertainment sector, cut taxes to small businesses and pay a portion of municipal taxes on the part of businesses.

At the federal level, the most common answer was support and encourage local shopping, extend the wage subsidy, buy advertising, provide forgivable loans for businesses that continue to struggle, increase eligibility requirements for assistance programs and tax relief – all with 7.7 per cent of businesses agreeing with each of these statements. Other suggestions at the federal level include eliminating the EI tax code for hair salon booth rentals, reducing red tape, having more stringent education on the importance of masks and physical distancing, keeping borders closed (although opening up the US border was also mentioned interestingly enough), providing more information on strategies and protocols if a second wave occurs, amending some costs associated with Canadian Radio-television and Telecommunications and associated costs like music royalties, ending the state of emergency and allowing all businesses to reopen, giving financial breaks on interest, investing in manufacturing jobs, not making businesses pay back all these support funds in the future, funding part time startups, changing the rental program to not have the landlord requirement, keep helping with wages and rent, funding the arts and entertainment sector, and cutting taxes to small businesses.



WHAT DO YOU THINK THE GOVERNMENT CAN DO TO ASSIST YOU AFTER THE CRISIS RECEDES AND THE ECONOMIC RECOVERY BEGINS?

For the open-ended question “What do you think the government can do to assist you after the crisis recedes and the economic recovery begins?”, the most common answers at the local level were encourage local shopping and reduce red tape with 25 and 12.5 per cent, respectively. Suggestions that were common across the local, provincial and federal level were eliminate the EI tax code for hair salon booth rentals, remove red tape, promote local shopping, open borders, tax relief, fund the arts and entertainment sector and cut taxes to small businesses. Specifically at the local level, respondents suggested that government should work on a case by case basis to address business needs, help with daycare issues for staff with children and remind people that physical distancing and forced masking is not a permanent practice.

At the provincial level, suggestions included allowing businesses to operate through government delays, supporting small businesses that buy locally before those that buy internationally, spurring economic recovery for small businesses, reminding people that physical distancing and forced masking is not a permanent practice, continuing to offer support and increase Northern Ontario Heritage Fund Corporation funding. At the federal level, the suggestions included allowing businesses to work through government delays, support small businesses that buy locally before those that buy internationally, providing more information on protocols and strategies if a second wave happens, keep asking employers about their needs, preventing a second wave without shutting down the economy, holding new elections, investing in manufacturing jobs, providing forgivable loans, continuing to offer the current support, forgiving taxes for a determined time period (HST), supporting the conference industry, investing more FedNor funding, and providing rental/wage tax relief.

68 per cent feel that private associations and other not-for-profit organizations supporting businesses are doing a good job at keeping them informed and supported during these unprecedented times. This is 10 per cent less than last survey round results.

Additional comments from employers included a respondent that felt the given options for revenue loss did not capture the severity of their situation since their small business has lost over \$600,000 since March. Another respondent stressed the importance of supporting the arts and entertainment sector. One respondent was surprised at how busy their operations are during the pandemic and shared concerns that the supply chain for the Fall/Winter inventory might not be sufficient.



Conclusion

Overall, more employers are operating at volumes similar to pre-pandemic conditions. Employers continue to be adaptive and innovative to the situation as more businesses are delivering new services or new products. More employers are supporting/protecting employees. A lower proportion of employers stating that their business prospects are highly negative is a sign that more businesses may be recovering than what was previously expected. However, this situation is still very serious for many employers and continuous support from governments and other organizations is needed. In fact, employers are asking for governments to promote local shopping, help specific struggling sectors and small businesses financially and provide tax relief in order to help them get through this crisis. These responses will continue to help guide decision makers on how to continue responding to COVID-19 in an appropriate manner for businesses. Indeed, employers' perspectives on how COVID-19 is impacting them are essential for future growth and recovery.

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